# STATE OF TAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL GAS AND MINING

|   | DIVISION OF OIL, GAS AND N                           | MINING                  |                                    | 5. LEASE DESIGNATION AND SERIAL NUMBER: |
|---|--|-------------------------|------------------------------------|---|
| SUNDRY  | Y NOTICES AND REPOR                                  | TS ON WEI               | <br>_LS                            | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME:   |
| Do not use this form for proposals to drill   | new wells, significantly deepen existing wells below | current boltom-hole de  | pih, reenter plugged wells, or to  | 7. UNIT or CA AGREEMENT NAME:           |
| 1. TYPE OF WELL OIL WELL                      | laterals. Use APPLICATION FOR PERMIT TO DRIL         |                         | ais.                               | 8. WELL NAME and NUMBER:                |
|   | G GAS WELL COMER                                     |                         |                                    | Exhibit "A"                             |
| 2. NAME OF OPERATOR:                          | o Production Oil & Gas                               | Company                 |                                    | 9. API NUMBER:                          |
| 3. ADDRESS OF OPERATOR:                       | J II Odde E Zoli O I I O Ods                         | Company                 | PHONE NUMBER:                      | 10. FIELD AND POOL, OR WILDCAT:         |
| South 1200 East on                            | ry Vernal state Utah z                               | zip 84078               | 435-789-4433                       |   |
|   | NGE, MERIDIAN:                                       |                         |                                    | COUNTY:                                 |
|   |  |                         | along tid- a subsertion to group . | STATE: UTAH                             |
|   | ROPRIATE BOXES TO INDICA                             | ATE NATURE              | OF NOTICE, REPO                    | RT, OR OTHER DATA                       |
| TYPE OF SUBMISSION                            |  |                         | YPE OF ACTION                      |   |
| NOTICE OF INTENT                              | ACIDIZE  | DEÉPEN                  |                                    | REPERFORATE CURRENT FORMATION           |
| (Submit in Duplicate)                         | ALTER CASING   | FRACTUR                 |                                    | SIDETRACK TO REPAIR WELL                |
| Approximate date work will start:             | CASING REPAIR  | ☐ NEM CON               | STRUCTION                          | TEMPORARILY ABANDON                     |
| ·   | CHANGE TO PREVIOUS PLANS                             | OPERATO                 | RCHANGE                            | TUBING REPAIR                           |
|   | CHANGE TUBING  | PLUG AND                | ABANDON                            | VENT OR FLARE                           |
| SUBSEQUENT REPORT (Submit Original Form Only) | CHANGE WELL NAME                                     | PLUG BAC                | K                                  | WATER DISPOSAL                          |
| Date of work completion:                      | CHANGE WELL STATUS                                   | PRODUCT                 | ON (START/RESUME)                  | WATER SHUT-OFF                          |
| •   | COMMINGLE PRODUCING FORMATION                        | S RECLAMA               | TION OF WELL, SITE                 | X OTHER: Name Change                    |
|   | CONVERT WELL TYPE                                    | RECOMPL                 | ETE - DIFFERENT FORMATION          |   |
| 12. DESCRIBE PROPOSED OR CO                   | OMPLETED OPERATIONS. Clearly show a                  | ll pertinent details ir | cluding dates, depths, volume      | es, etc.                                |
|   | the merger between The                               |                         |                                    |   |
| subsidary of El                               | Paso Energy Corporation                              | on, the na              | me of Coastal (                    | Oil & Gas Corporation                   |
| has been change                               | d to El Paso Production                              | n 0il & Ga              | s Company effe                     | etive March 9, 2001.                    |
| ·   | See  | Exhibit "A              | 11                                 |   |
|   |  |                         |                                    |   |
|   |  |                         |                                    |   |
|   |  |                         |                                    |   |
| Bond # 400JU070                               | )8   |                         |                                    |   |
|   | al Oil & Gas Corporati                               | on                      |                                    |   |
| NAME (PLEASE PRINT) John                      | T Elzner   | TITL                    | Vice Preside                       | ent                                     |
| 1017  |  |                         | 06-15-01                           |   |
| SIGNATURE                                     |  | DAT                     | 00-15-01                           | ·                                       |
| El Pa   |  | s Company               |                                    |   |
| NAME (PLEASE PRINT) John                      | T Elzner   | TIT                     | LE Vice Presid                     | ent                                     |
| SIGNATURE                                     |  | DA                      | TE 06-15-01                        |   |
|   |  |                         |                                    |   |
| This space for State use only)                |  |                         |                                    | RECEIVED                                |

JUN 19 2001

# State of Delaware

#### PAGE :

# Office of the Secretary of State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

IUN 15 2001

DIVISION OF DIL GAS AND MINING



Warriet Smith Windson Harriet Smith Windson

AUTHENTICATION: 1061007

DATE: 04-03-01

0610204 8100

010162788

#### CERTIFICATE OF AMENDMENT

OF

## CERTIFICATE OF INCORPORATION

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST." so that, as amended, said Article shall be and read as follows:

"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL & GAS CORPORATION

David L. Siddall Vice President

Attest:

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 11:00 AM 03/09/2001
010118394 - 0610204

IUN 19 2001

DIVISION OF OIL, GAS AND MINING



# United States Department of the Interior

#### **BUREAU OF LAND MANAGEMENT**

Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155

# RECEIVED

JUL 1 2 2001

DIVISION OF OIL, GAS AND MINING

In Reply Refer To: 3106 UTSL-065841 (UT-924)

JUL 1 0 2001 -

#### **NOTICE**

El Paso Production Oil & Gas Company

Oil and Gas

Nine Greenway Plaza Houston TX 77046-0095

.

#### Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of <u>Coastal Oil & Gas Corporation</u> into <u>El Paso Production Oil & Gas Company</u> with <u>El Paso Production Oil & Gas Company</u> being the surviving entity.

For our purposes, the name change is recognized effective March 9, 2001.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entitities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Coastal Oil & Gas Corporation to El Paso Production Oil & Gas Company. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Wyoming and Colorado.

Opolonia L. Abeyta Acting Chief, Branch of Minerals Adjudication

#### Enclosure

1. Exhibit of Leases (1 pp)

cc: Moab Field Office

Vernal Field Office

MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217

State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114

Teresa Thompson (UT-922)

Joe Incardine (UT-921)

## Exhibit of Leases

| UTUSL-065841A | UTU-47172   | UTU-74415   | UTU-53860 |
|---------------|-------------|-------------|-----------|
| UTU-28652     | UTU-50687   | UTU-74416   | UTU-66401 |
| UTU-37943     | UTU-52298   | UTU-75091   | UTU-67868 |
| UTU-44089     | UTU-0109054 | UTU-75096   | UTU-65389 |
| UTU-44090A    | UTU-0143511 | UTU-75097   | UTU-77084 |
| UTU-61263     | UTU-0143512 | UTU-75673   | UTU-61430 |
| UTU-00343     | UTU-38401   | UTU-76259   | UTU-72633 |
| UTU-02651     | UTU-38411   | UTU-76260   | UTU-72650 |
| UTU-02651B    | UTU-38418   | UTU-76261   | UTU-49692 |
| UTU-0142175   | UTU-38419   | UTU-76493   | UTU-57894 |
| UTU-70235     | UTU-38420   | UTU-76495   | UTU-76829 |
| UTU-70406     | UTU-38421   | UTU-76503   | UTU-76830 |
| UTU-74954     | UTU-38423   | UTU-78228   | UTU-76831 |
| UTU-75132     | UTU-38424   | UTU-78714   |           |
| UTU-75699     | UTU-38425   | UTU-78727   |           |
| UTU-76242     | UTU-38426   | UTU-78734   |           |
| UTU-78032     | UTU-38427   | UTU-79012   |           |
| UTU-4377      | UTU-38428   | UTU-79011   |           |
| UTU-4378      | UTU-53861   | UTU-71694   |           |
| UTU-7386      | UTU-58097   | UTU-00576   |           |
| UTU-8344A     | UTU-64376   | UTU-00647   |           |
| UTU-8345      | UTU-65222   | UTU-01470D  |           |
| UTU-8347      | UTU-65223   | UTU-0136484 |           |
| UTU-8621      | UTU-66746   | UTU-8344    |           |
| UTU-14646     | UTU-67178   | UTU-8346    |           |
| UTU-15855     | UTU-67549   | UTU-8648    |           |
| UTU-25880     | UTU-72028   | UTU-28212   |           |
| UTU-28213     | UTU-72632   | UTU-30289   |           |
| UTU-29535     | UTU-73009   | UTU-31260   |           |
| UTU-29797     | UTU-73010   | UTU-33433   |           |
| UTU-31736     | UTU-73013   | UTU-34711   |           |
| UTU-34350     | UTU-73175   | UTU-46699   |           |
| UTU-34705     | UTU-73434   | UTU-78852   |           |
| UTU-37116     | UTU-73435   | UTU-78853   |           |
| UTU-37355     | UTU-73444   | UTU-78854   |           |
| UTU-37573     | UTU-73450   | UTU-075939  |           |
| UTU-38261     | UTU-73900   | UTU-0149767 |           |
| UTU-39223     | UTU-74409   | UTU-2078    |           |
| UTU-40729     | UTU-74410   | UTU-44426   |           |
| UTU-40736     | UTU-74413   | UTU-49530   |           |
| UTU-42469     | UTU-74414   | UTU-51026   |           |
|               | ·           |             |           |

Form 3160-3 (August 1999)

# UNITED STATES DEPARTMENT OF THE INTERIOR BURFALLOF LAND MANAGEMENT

| FORM APPROVED             |
|---------------------------|
| OMB No. 1004-0136         |
| Expires November 30, 2000 |

| DEPARTMENT OF I  | HE INTERIOR   |  |   |  |
|--|---|--|---|--|
| BUREAU OF LAND   | 5. Lease Serial No.<br>U-77531                                      |  |   |  |
| APPLICATION FOR PERMIT   | 6. If Indian, Allottee or Tribe Name                                |  |   |  |
| 1a. Type of Work: ☑ DRILL ☐ REENTER  |   | 7. If Unit or CA Agreement,  | Name and No.                            |  |
|  | CINFILENTIAL  | 8. Lease Name and Well No.   |   |  |
| 1b. Type of Well: ☐ Oil Well ☐ Gas Well ☐ Oth  |   | SW HANGING ROCK 2  | 5-1                                     |  |
| COASTAL OIL & GAS CORPORATION  | CHERYL CAMERON E-Mail: Cheryl.Cameron@CoastalCorp.com               | 9. API Well No.<br>43-047-3  | 4233                                    |  |
| 3a. Address<br>P.O. BOX 1148<br>VERNAL, UT 84078   | 3b. Phone No. (include area code) Ph: 435.781.7023 Fx: 435.789.4436 | 10. Field and Pool, or Explor<br>SW HANGING ROCK   |   |  |
| 4. Location of Well (Report location clearly and in accorda  | nce with any State requirements.*)                                  | 11. Sec., T., R., M., or Blk. a  | nd Survey or Area                       |  |
| At surface NEW 2044FSL 2046FWL   | 4400412N<br>646246E   | Sec 25 T12S R23E M   | ler UBM                                 |  |
| At proposed prod. zone   | 696296E   |  |   |  |
| 14. Distance in miles and direction from nearest town or post 67.5 MILES SOUTHEAST OF VERNAL, UT                             | office*   | 12. County or Parish<br>UINTAH   | 13. State<br>UT                         |  |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig, unit line, if any)         | 16. No. of Acres in Lease   | 17. Spacing Unit dedicated to  | this well                               |  |
| 2044   | 1600.00   | 40.00  |   |  |
| 18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.                    | 19. Proposed Depth  | 20. BLM/BIA Bond No. on f  | ile                                     |  |
| REFER TO TOPO C  | 5500 MD   | U-605382-9   |   |  |
| 21. Elevations (Show whether DF, KB, RT, GL, etc. 6407 GL  | 22. Approximate date work will start                                | 23. Estimated duration   |   |  |
|  | 24. Attachments   |  | - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 |  |
| The following, completed in accordance with the requirements of  | f Onshore Oil and Gas Order No. 1, shall be attached to the         | nis form:  |   |  |
| <ol> <li>Well plat certified by a registered surveyor.</li> <li>A Drilling Plan,</li> </ol>                                  | 4. Bond to cover the operation Item 20 above).                      | ns unless covered by an existing   | g bond on file (see                     |  |
| 3. A Surface Use Plan (if the location is on National Forest Syst SUPO shall be filed with the appropriate Forest Service Of | em Lands, the 5. Operator certification                             | ormation this or plans as may b  | e required by the                       |  |
| 25. Signature Comelon  | Name (Printed/Typed) CHERYL CAMERON  Action is No                   | CONO   | Date<br>08/02/2001                      |  |
| OPERATIONS (   | · · · · · · · · · · · · · · · · · · ·                               |  |   |  |
| approved by (Signature)  | Name (Printed/TyBRADLEY G. HILL                                     | The state of the s | Date                                    |  |
| Title  | Office RECLAMATION SPECIALIST                                       | 111  | 08-14-01                                |  |
| 12 1 1   | 1   |  |   |  |

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

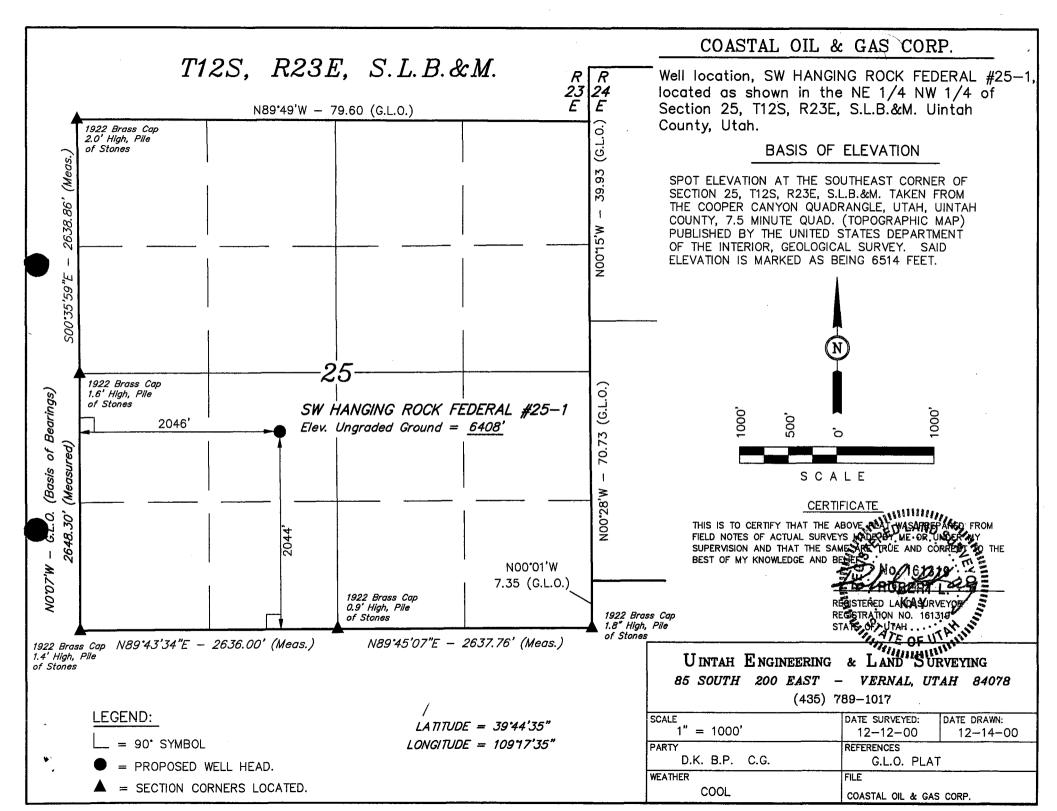
Additional Operator Remarks (see next page)

RECEIVED

Electronic Submission #6188 verified by the BLM Well Information System For COASTAL OIL & GAS CORPORATION, sent to the Vernal

AUG 0 3 2001

DIVISION OF OIL, GAS AND MINING



# COASTAL OIL & GAS CORP.

# SW HANGING ROCK FEDERAL #25-1 LOCATED IN UINTAH COUNTY, UTAH

SECTION 25, T12S, R23E, S.L.B.&M.

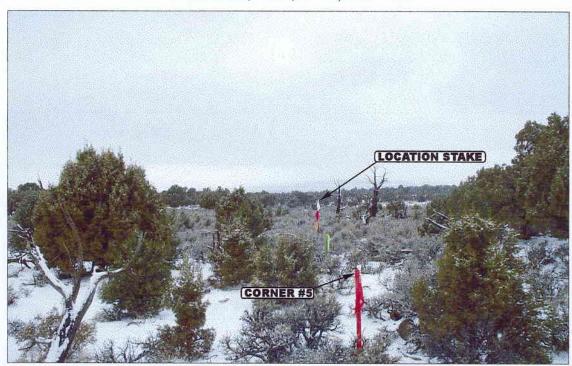


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

**CAMERA ANGLE: NORTHWESTERLY** 



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

**CAMERA ANGLE: WESTERLY** 



Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

**РНОТО** 

TAKEN BY: D.K. DRAWN BY: K.G.

REVISED: 00-00-00

## COASTAL OIL & GAS CORP.

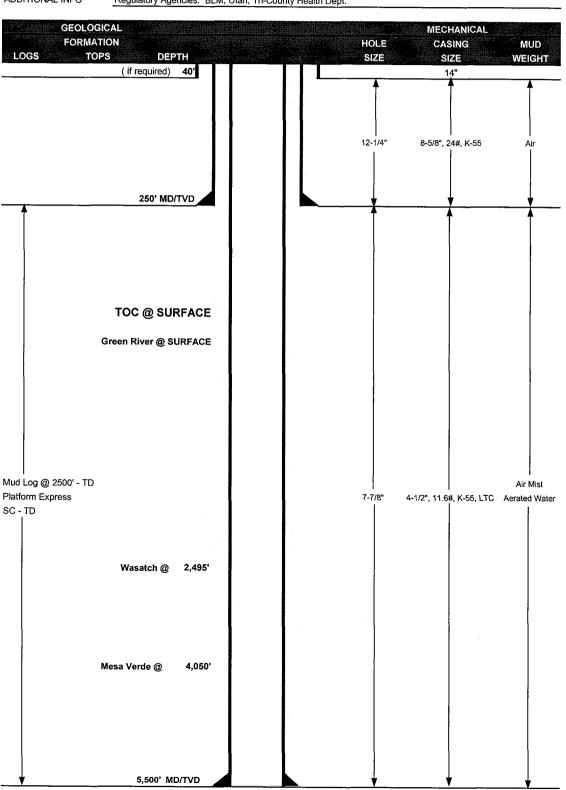
SW HANGING ROCK FEDERAL #25-1 SECTION 25, T12S, R23E, S.L.B.&M.

PROCEED IN AN EASTERLY THEN SOUTHERLY DIRECTION FROM VERNAL. UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 4.0 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 36.0 MILES TO BONANZA, UTAH PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 16.9 MILES TO THE JUCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 7.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST: TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH: TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 69.0 MILES.

# COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

COMPANY NAME Coastal Oil & Gas Corporation DATE August 2, 2001 WELL NAME **SW HANGING ROCK FED. 25-1** 5,500' MD/TVD COUNTY Uintah FIELD WILDCAT STATE Utah ELEVATION 6,410' KΒ SURFACE LOCATION 1996' FSL, 2007' FWL, NE/SW, SEC. 25, T12S, R23E Straight Hole OBJECTIVE ZONE(S) Mesa Verde ADDITIONAL INFO Regulatory Agencies: BLM, Utah, Tri-County Health Dept.



# COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

#### CASING PROGRAM

|             |        |          |       |      |       | DESIGN FACTORS |          |         |  |
|-------------|--------|----------|-------|------|-------|----------------|----------|---------|--|
|             | SIZE   | INTERVAL | WT.   | GR.  | CPLG. | BURST          | COLLAPSE | TENSION |  |
| CONDUCTOR   | 14"    | 0-40'    |       |      |       |                |          |         |  |
|             |        |          |       |      |       | 2950           | 1370     | 263000  |  |
| SURFACE     | 8-5/8" | 0-250'   | 24.00 | K-55 | STC   | 21.03          | 11.71    | 4.70    |  |
|             |        |          |       |      |       | 5350           | 4960     | 180000  |  |
| PRODUCTION* | 4-1/2" | 0-TD     | 11.60 | K-55 | LTC   | 2.76           | 1.73     | 1.58    |  |

- 1) Maximum Anticipated Surface Pressure (MASP) (Conductor and Surface Casings) = (Frac Gradient at Shoe Gas Gradient (0.115 psi/ft))(TVD)
- 2) MASP (Int Casing) = Pore Pressure at Next Casing Point (Gas Gradient x TVD of Next Casing Point x 0.67) (Mud Weight x TVD x 0.052 x 0.33)
- 3) MASP (Prod Casing) = Pore Pressure (Gas Gradient x TVD of Production Interval)

(Burst Assumptions: FG @ 8-5/8" shoe = 13.0 ppg, Max Pore Pressure = 9.0 ppg EMW)

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing, 50,000 lbs overpull)

#### CEMENT PROGRAM

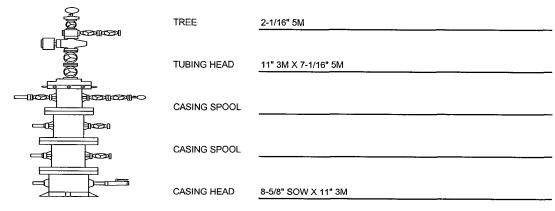
|            | i    | FT. OF FILL | DESCRIPTION  | SACKS | EXCESS* | WEIGHT | YIELD |
|------------|------|-------------|--|-------|---------|--------|-------|
| SURFACE    |      | 250         | Class G + 2% CaCl <sub>2</sub> + 0.25 lb/sk Cello<br>Flake   | 90    | 35%     | 15.80  | 1.17  |
| PRODUCTION | LEAD | 1,995'      | Hifill Mod. +16% gel + 3% salt + 10#/sk<br>gilsonite + 1% HR7 + 0.6% Econolite<br>+ 0.2% FWCA + 0.25 lb/sk Flocele | 220   | 50%     | 11.60  | 3.12  |
|            | TAIL | 3,505'      | 50/50 POZ + 2% gel + 2% Microbond<br>+ 5% salt + 0.2% Super CBL<br>+ 0.6% HALAD 322 + 0.25 #/sk Flocele            | 970   | 50%     | 14.35  | 1.25  |

<sup>\*</sup> or 15% over caliper log

#### FLOAT EQUIPMENT & CENTRALIZERS

| SURFACE    | Guide shoe, 1 jt, float collar. Centralize first 3 joints & every other joint to surface with bow spring centralizers. Thread lock FE up to & including pin end of FC. |  |  |  |  |  |  |
|------------|--|--|--|--|--|--|--|
|            |  |  |  |  |  |  |  |
| PRODUCTION | Float shoe, 1 jt, float collar. Centraliz turbulator solid blade centralizers.   | re first 3 joints & every third joint to top of tail cement with |  |  |  |  |  |
|            |  |  |  |  |  |  |  |

#### WELLHEAD EQUIPMENT



Page 3/3

# COASTAL OIL & GAS CORPORATION DRILLING PROGRAM

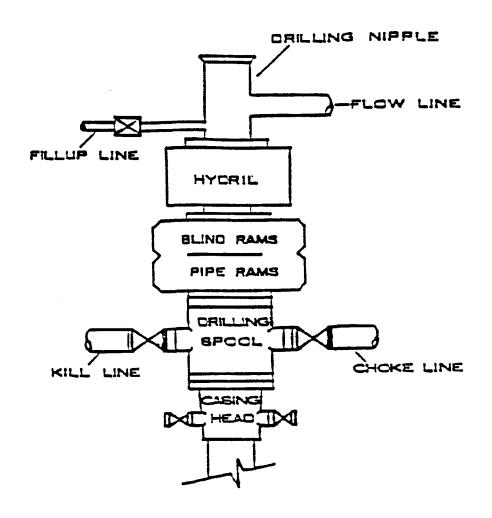
#### BIT PROC

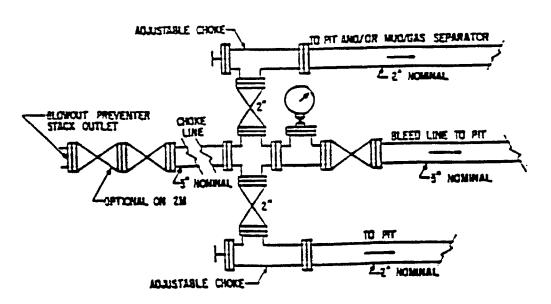
| BIT PROGR | AM  |  |   |  |  |                              |   |   |  |         |
|-----------|---|--|---|--|--|------------------------------|---|---|--|---------|
|           |   |  |   | B001/ B1   | <del>-</del>   |                              |   |   |  | 77.0000 |
|           | INTERV  | A I  | HOLE  | BIT MFG &  | T & PDC BI   | **********                   |   | N   |  |         |
|           | Surface H   | /.:2:///   | 12-1/4"   | Vario  |  | GPM                          | SERIAL  | NZLS  | COMMENTS   | (O)     |
| F         | Ourlace 11  | lole   | 12-1/4  | Vario  | us   |                              |   |   |  |         |
| <u>-</u>  | Surf Csg -  | TD   | 7-7/8"  | Vario  | lie l  | Air/Mist                     | New   | 16-16-16  |  |         |
| H         |   | 10   | 1-170   | Valio  |  | Aerated                      | new   | 10-10-10  |  |         |
| <u></u>   | · · · · · · · · · · · · · · · · · · ·   |  | sainage   |  | · · · · · · · · · · · · · · · · · · ·  | Aerateu                      |   |   |  |         |
| H         |   |  |   |  |  |                              |   |   |  |         |
| -         |   |  |   |  |  |                              |   |   |  |         |
| L         | · · · · · · · · · · · · · · · · · · ·   |  |   |  |  |                              |   |   |  |         |
|           |   |  |   |  |  |                              |   |   |  |         |
| -         |   |  |   |  |  |                              |   |   |  |         |
| _         |   |  |   |  |  |                              |   |   |  |         |
| -         |   |  |   | ***  |  |                              |   | · · · · · · · · · · · · · · · · · · ·                   |  |         |
| -         |   |  |   |  |  |                              |   |   |  |         |
| GEOLOGIC  | ΔΙ ΠΔΤΔ   |  |   |  |  |                              |   |   |  |         |
| <u> </u>  | AL PAIA   |  |   |  |  |                              |   |   |  |         |
| ı         | LOGGING:  | De   | pth   | here a construction  |  |                              | Log T   | 100   | SE SECTION   |         |
| •         |   |  | - TD  |  |  |                              | Platform E  |   | <u>(54)</u>  |         |
|           |   | 00   | 10  |  |  |                              |   | хргооо  |  |         |
|           |   |  |   |  |  |                              |   |   |  |         |
|           |   |  |   | :  |  |                              |   |   |  | i       |
|           |   |  |   |  |  |                              |   |   |  |         |
|           | L   |  |   | l  |  |                              |   |   | ····   |         |
| ,         | MUD LOGGER:   |  | SC - TD   |  |  |                              |   |   |  |         |
|           | SAMPLES:  | -  | As per Geolo  | ngv  |  | -                            |   |   |  |         |
|           | CORING:   | -  | NA  | 797  |  |                              |   |   |  |         |
| •         |   |  |   |  |  |                              |   |   |  |         |
|           | nst.  | -  |   |  |  |                              |   |   | ***  |         |
| ľ         | DST:  | -  | NA  |  |  |                              |   |   |  |         |
|           |   | -  |   |  |  |                              | ,   |   | 4  |         |
| MUD PROG  |   | -  |   |  |  | 1.0.                         |   |   |  |         |
|           |   | -  |   |  | WATER  |                              |   |   |  |         |
|           | RAM.  |  | NA  | MIDWT  | WATER  | VIS                          | scoelty.  |   | TRATMENT   |         |
|           | RAM<br>DEPTH  | TY   | NA<br>PE  | MUD WT   | LOSS   | Vis                          | scosity   |   | TREATMENT  |         |
|           | RAM.  DEPTH  0-Trona  | TY   | NA  | MUD WT   |  | Vis                          | SCOSITY   |   | Polymer, Gel   |         |
|           | RAM<br>DEPTH  | TY   | NA<br>PE  |  | LOSS   | Vis                          | SCOSITY   |   |  |         |
|           | RAM.  DEPTH  0-Trona  | TY   | NA<br>PE  |  | LOSS   | VIS                          | SCOSITY   |   | Polymer, Gel   |         |
|           | DEPTH  0-Trona (0 - +/-2,000')  | TY<br>Air/l  | PE<br>Mist  | NA   | LOSS<br>NA   | Vis                          |   |   | Polymer, Gel<br>Gyp, Lime  |         |
| MUD PROG  | <b>DEPTH</b> 0-Trona (0 - +/-2,000')  | TY<br>Air/l  | NA<br>PE  |  | LOSS   | Vis                          | SCOSITY NA  |   | Polymer, Gel   |         |
| MUD PROG  | DEPTH  0-Trona (0 - +/-2,000')  | TY<br>Air/l  | PE<br>Mist  | NA   | LOSS<br>NA   | Vis                          |   |   | Polymer, Gel<br>Gyp, Lime  |         |
| MUD PROG  | <b>DEPTH</b> 0-Trona (0 - +/-2,000')  | TY<br>Air/l  | PE<br>Mist  | NA   | LOSS<br>NA   | Vis                          |   |   | Polymer, Gel<br>Gyp, Lime  |         |
| MUD PROG  | DEPTH 0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)   | TY<br>Air/l  | PE<br>Mist  | NA<br>NA   | LOSS<br>NA<br>NC   |                              | NA  | s or fill enco  | Polymer, Gel<br>Gyp, Lime<br>Polymer, Gyp, Lime  |         |
| MUD PROG  | DEPTH 0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)   | Aerated  | PE<br>Mist  | NA<br>NA<br>an, then make  | NA NC a wiper trip.  |                              | NA  | es or fill enco   | Polymer, Gel<br>Gyp, Lime<br>Polymer, Gyp, Lime  |         |
| MUD PROG  | DEPTH  0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD  After a successfu  | Aerated  O, circulate h  | PE Mist  Uwater  Iole until cle chain out of  | NA  NA  an, then make fithe hole to log  | NA NC a wiper trip.  |                              | NA  | es or fill enco   | Polymer, Gel<br>Gyp, Lime<br>Polymer, Gyp, Lime  |         |
| MUD PROG  | DEPTH  0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu   | Aerated  Aerated  Control of the second of t | PE Mist  Uwater  Iole until cle chain out of  | NA  NA  an, then make fithe hole to log  | NA NC a wiper trip.  |                              | NA  | es or fill enco   | Polymer, Gel<br>Gyp, Lime<br>Polymer, Gyp, Lime  |         |
| MUD PROG  | DEPTH  0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD  After a successfu  | Aerated  Aerated  Control of the second of t | PE Mist  Uwater  Iole until cle chain out of  | NA  NA  an, then make fithe hole to log  | NA NC a wiper trip.  |                              | NA  | s or fill enco  | Polymer, Gel<br>Gyp, Lime<br>Polymer, Gyp, Lime  |         |
| MUD PROG  | DEPTH 0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu REPORT ALL LC L INFORMATION  | Aerated  O, circulate h I wiper trip, DSSES, INC   | PE Mist  Water  Iole until cle chain out of   | NA  NA  an, then make the hole to log  EEPAGE  | NC NC a wiper trip.  | Report                       | NA<br>any bridge  | es or fill enco   | Polymer, Gel<br>Gyp, Lime<br>Polymer, Gyp, Lime  |         |
| MUD PROG  | DEPTH 0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu REPORT ALL LC L INFORMATION  Test casing head to   | Aerated  Aerated  O, circulate h I wiper trip, DSSES, INC  | PE Mist  Water  Jole until cie chain out of LUDING SI   | NA  NA  An, then make f the hole to log EEPAGE   | NC  NC  a wiper trip.  | Report                       | NA<br>any bridge  |   | Polymer, Gel Gyp, Lime  Polymer, Gyp, Lime  suntered on trip.  |         |
| MUD PROG  | DEPTH 0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu REPORT ALL LC L INFORMATION  Test casing head to 30PE: 11" 3M with   | Aerated  Aerated  O, circulate h I wiper trip, DSSES, INC  N  O 750 psi after  | PE Mist  Water  Ole until cle chain out of LUDING SI r installing. T and 2 rams.                    | NA  NA  NA  An, then make f the hole to log EEPAGE  Test surface casin Test to 3,000 ps  | NC  NC  a wiper trip.  g to 1,500 ps si (annular to  | Report                       | NA<br>any bridge<br>drilling out.                       | lling out. Rec  | Polymer, Gel Gyp, Lime  Polymer, Gyp, Lime  puntered on trip.  |         |
| MUD PROG  | PEPTH  0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu REPORT ALL LC L INFORMATION  Test casing head to 30PE: 11" 3M with our sheet. Function  | Aerated  Aerated  O, circulate h I wiper trip, DSSES, INC  N  750 psi after one annular n test rams o  | PE Mist  Water  Ole until cle chain out of LUDING SI r installing. T and 2 rams.                    | NA  NA  NA  An, then make f the hole to log EEPAGE  Test surface casin Test to 3,000 ps  | NC  NC  a wiper trip.  g to 1,500 ps si (annular to  | Report                       | NA<br>any bridge<br>drilling out.                       | lling out. Rec  | Polymer, Gel Gyp, Lime  Polymer, Gyp, Lime  suntered on trip.  |         |
| MUD PROG  | PEPTH 0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu REPORT ALL LC LINFORMATION Test casing head to 30PE: 11" 3M with our sheet. Function & lower kelly valves  | Aerated  Aerated  O, circulate h I wiper trip, DSSES, INC  N  O 750 psi after I one annular In test rams of  | PE Mist  Water  Ole until cle chain out of LUDING SI r installing. T and 2 rams. n each trip.       | NA  NA  NA  NA  An, then make  I the hole to log  EEPAGE  Test surface casin  Test to 3,000 ps  Maintain safety vi                         | NC  a wiper trip.  g to 1,500 ps is (annular to alive & inside in | Report ii prior to 1,500 psi | NA any bridge drilling out. prior to dri ig floor at al | lling out. Rec  | Polymer, Gel Gyp, Lime  Polymer, Gyp, Lime  puntered on trip.  |         |
| MUD PROG  | PAM.  DEPTH 0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu REPORT ALL LC LINFORMATION  Test casing head to BOPE: 11" 3M with our sheet. Function & lower kelly valves Run Totco survey e                | Aerated  Aer | PE Mist  Water  Ole until cle chain out of LUDING SI r installing. T and 2 rams. n each trip. i     | NA  NA  NA  NA  An, then make  I the hole to log  EEPAGE  Test surface casin  Test to 3,000 ps  Maintain safety vi                         | NC  a wiper trip.  g to 1,500 ps is (annular to alive & inside in | Report ii prior to 1,500 psi | NA any bridge drilling out. prior to dri ig floor at al | lling out. Rec  | Polymer, Gel Gyp, Lime  Polymer, Gyp, Lime  puntered on trip.  |         |
| MUD PROG  | PEPTH 0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu REPORT ALL LC LINFORMATION Test casing head to 30PE: 11" 3M with our sheet. Function & lower kelly valves  | Aerated  Aer | PE Mist  Water  Ole until cle chain out of LUDING SI r installing. T and 2 rams. n each trip. i     | NA  NA  NA  NA  An, then make  I the hole to log  EEPAGE  Test surface casin  Test to 3,000 ps  Maintain safety vi                         | NC  a wiper trip.  g to 1,500 ps is (annular to alive & inside in | Report ii prior to 1,500 psi | NA any bridge drilling out. prior to dri ig floor at al | lling out. Rec  | Polymer, Gel Gyp, Lime  Polymer, Gyp, Lime  puntered on trip.  |         |
| MUD PROG  | PEPTH  0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu REPORT ALL LC LINFORMATION  Test casing head to BOPE: 11" 3M with our sheet. Function & lower kelly valves Run Totco survey e Treat for corrosion | Aerated  Aer | PE Mist  Water  Ole until cle chain out of LUDING SI r installing. T and 2 rams. n each trip. i     | NA  NA  NA  NA  An, then make  I the hole to log  EEPAGE  Test surface casin  Test to 3,000 ps  Maintain safety vi                         | NC  a wiper trip.  g to 1,500 ps is (annular to alive & inside in | Report ii prior to 1,500 psi | NA any bridge drilling out. prior to dri ig floor at al | lling out. Rec<br>I times. Kelly<br>5 degrees.          | Polymer, Gel Gyp, Lime  Polymer, Gyp, Lime  suntered on trip.  ord on chart recorder & to be equipped with upper |         |
| MUD PROG  | PEPTH  0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu REPORT ALL LC LINFORMATION  Test casing head to BOPE: 11" 3M with our sheet. Function & lower kelly valves Run Totco survey e Treat for corrosion | Aerated  Aer | PE Mist  d Water  dole until cle chain out of chundling. T and 2 rams. n each trip. i m surface can | NA  NA  NA  NA  NA  NA  an, then make  the hole to log  EEPAGE  Cest surface casin  Test to 3,000 ps  Maintain safety vi  sing shoe to TD. | NC  a wiper trip.  g to 1,500 ps is (annular to alive & inside in | Report ii prior to 1,500 psi | NA any bridge drilling out. prior to dri ig floor at al | lling out. Rec<br>I times. Kelly<br>5 degrees.          | Polymer, Gel Gyp, Lime  Polymer, Gyp, Lime  puntered on trip.  |         |
| MUD PROG  | DEPTH 0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu REPORT ALL LC LINFORMATION  Test casing head to BOPE: 11" 3M with our sheet. Function & lower kelly valves Run Totco survey e Treat for corrosion  | Aerated  Aer | PE Mist  Water  Ole until cle chain out of LUDING SI r installing. T and 2 rams. n each trip. i     | NA  NA  NA  NA  NA  NA  an, then make  the hole to log  EEPAGE  Cest surface casin  Test to 3,000 ps  Maintain safety vi  sing shoe to TD. | NC  a wiper trip.  g to 1,500 ps is (annular to alive & inside in | Report ii prior to 1,500 psi | NA any bridge drilling out. prior to dri ig floor at al | lling out. Rec<br>I times. Kelly<br>5 degrees.<br>DATE: | Polymer, Gel Gyp, Lime  Polymer, Gyp, Lime  puntered on trip.  ord on chart recorder & to be equipped with upper |         |
| MUD PROG  | PEPTH  0-Trona (0 - +/-2,000')  Trona-TD (+/- 2,000' - TD)  After reaching TD After a successfu REPORT ALL LC LINFORMATION  Test casing head to BOPE: 11" 3M with our sheet. Function & lower kelly valves Run Totco survey e Treat for corrosion | Aerated  Aer | PE Mist  d Water  dole until cle chain out of chundling. T and 2 rams. n each trip. i m surface can | NA   | NC  a wiper trip.  g to 1,500 ps is (annular to alive & inside in | Report ii prior to 1,500 psi | NA any bridge drilling out. prior to dri ig floor at al | lling out. Rec<br>I times. Kelly<br>5 degrees.          | Polymer, Gel Gyp, Lime  Polymer, Gyp, Lime  puntered on trip.  ord on chart recorder & to be equipped with upper |         |

Scott Palmer

DATE: \_\_\_

#### EOP STACK





#### S.W. HANGING ROCK FEDERAL #25-1 NE/NW Sec. 25, T12S-R23E Uintah County, UT U-77531

#### **ONSHORE ORDER NO. 1**

#### DRILLING PROGRAM

#### 1. Estimated Tops of Important Geologic Markers:

| <u>Depth</u> |
|--------------|
| 6410'        |
| 2495'        |
| 4050'        |
| 5000'        |
|              |

#### 2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

| Substance      | <u>Formation</u> | <u>Depth</u> |
|----------------|------------------|--------------|
| Gas            | Wasatch          | 2495?        |
| Gas            | Mesaverde        | 4050'        |
| Water          | N/A              |              |
| Other Minerals | N/A              |              |

#### 3. <u>Pressure Control Equipment</u> (Schematic Attached)

The BOP stack will consist of one 11" 3,000 psi annular BOP, one 11" 3,000 psi double ram, and one 11' drilling spool. The lower ram will contain pipe rams, and the upper ram will contain blind rams.

The choke and kill lines and the choke manifold will have a 3,000 psi minimum pressure rating.

The hydrill will be tested to 1,500 psi. The rams, choke manifold, kelly safety valves, drill string safety valves, and inside BOP will be tested to 3,000 psi.

#### 4. Proposed Casing & Cementing Program:

Refer to the attached Cement & Casing Program.

#### 5. Drilling Fluids Program:

Refer to the attached Mud Program.

#### 6. <u>Evaluation Program:</u>

Refer to the attached Logging Program.

#### 7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated @ 5000' TD approximately equals 2000 psi (calculated at 0.4 psi/foot).

Maximum anticipated surface pressure equals approximately 900 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

#### S.W. HANGING ROCK FEDERAL #25-1 NE/NW Sec. 25, T12S-R23E Uintah County, UT U-77531

#### ONSHORE ORDER NO. 1

#### MULTI-POINT SURFACE USE & OPERATIONS PLAN

#### 1. Existing Roads:

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to the attached directions to the proposed location site.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

#### 2. Planned Access Roads:

Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

The proposed ROW on the existing road leading to the proposed access road will require 1.5 miles of upgrading. Refer to Topo Map B.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

#### 3. <u>Location of Existing Wells Within a 1-Mile Radius</u>

Please refer to Topo Map C.

#### 4. <u>Location of Existing & Proposed Facilities</u>

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Olive-Black. Color No. 5WA20-6, manufactured by Fuller O'Brien.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Refer to Topo Map D for the proposed pipeline.

#### 5. <u>Location and Type of Water Supply:</u>

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Additional/other water sources may be utilized, based upon availability.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

#### 6. Source of Construction Materials

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

#### 7. <u>Methods of Handling Waste Materials</u>

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner with felt will be utilized. It will be a minimum of 12 mil thick, with

sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S,R19E.

#### 8. Ancillary Facilities:

None are anticipated.

#### 9. Well Site Layout: (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

If it is determined that a pit liner will be used at the on-site inspection, the reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be

three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile (s), and surface material stockpile(s).

#### 10. Plans for Reclamation of the Surface:

#### Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic, nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

#### Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

The following seed mixture will be used to reclaim the surface. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for drilled seed are:

Indian Rice Grass 4lbs/acre
Beardless Blue Wheatgrass 4 lbs/acre
Shad Scale 4 lbs/acre

#### 11. Surface Ownership:

Bureau of Land Management Vernal Field Office 170 South 500 East Vernal, UT 84078

#### 12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III Archaeological Survey Report for the proposed location is attached. An amended Archaeological Survey Report conducted by Sagebrush Consultants will be submitted, as soon as it becomes available.

#### SEASONAL WILDLIFE HABITAT - CRITICAL DEER RANGE

In order to protect important seasonal wildlife habitat, exploration, drilling, and other development activity will not be conducted for the period from November 15-April 15. This limitation does not apply to maintenance and operation of producing wells. Exceptions to this limitation in any year may Be specifically authorized in writing by the Area Manager, Bureau of Land Management.

#### 13. Lessee's or Operators's Representative & Certification:

Cheryl Cameron Regulatory Analyst Coastal Oil & Gas Corporation P.O. Box 1148 Vernal, UT 84078 (435) 781-7023 Scott Palmer
Drilling Manager
Coastal Oil & Gas Corporation
9 Greenway Plaza
Houston, TX 77046
(713) 420-4850

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

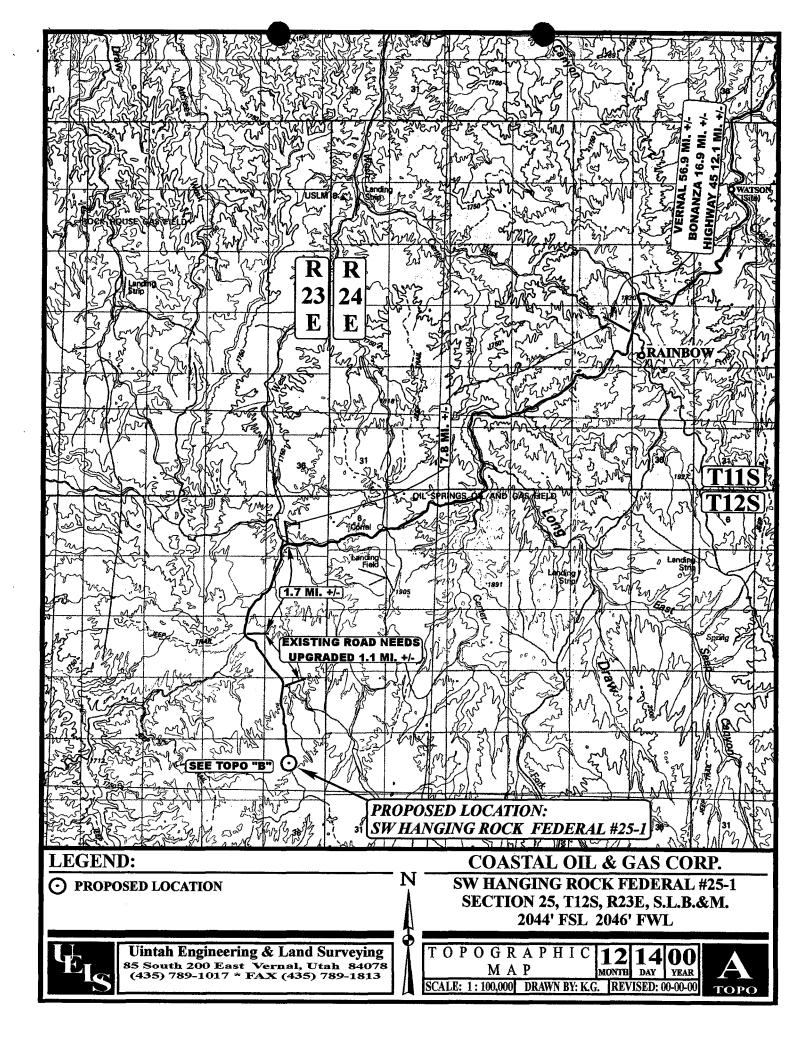
The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

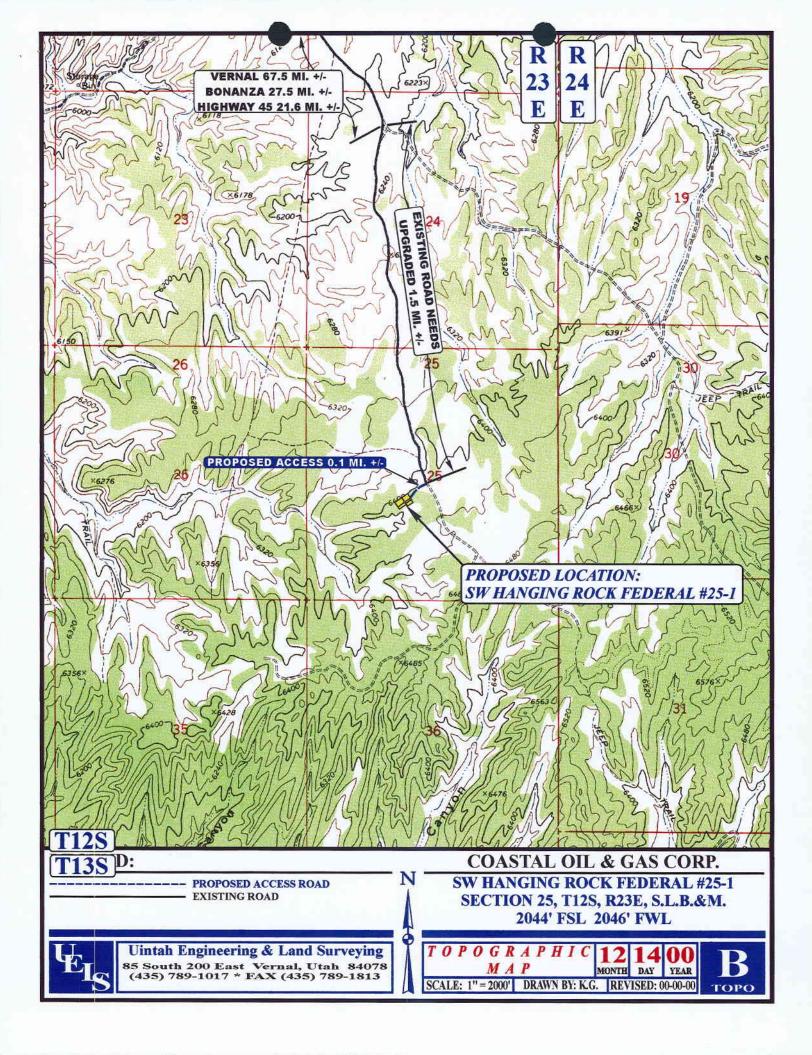
Coastal Oil & Gas Corporation is considered to be the operator of the subject well. Coastal Oil & Gas Corporation agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

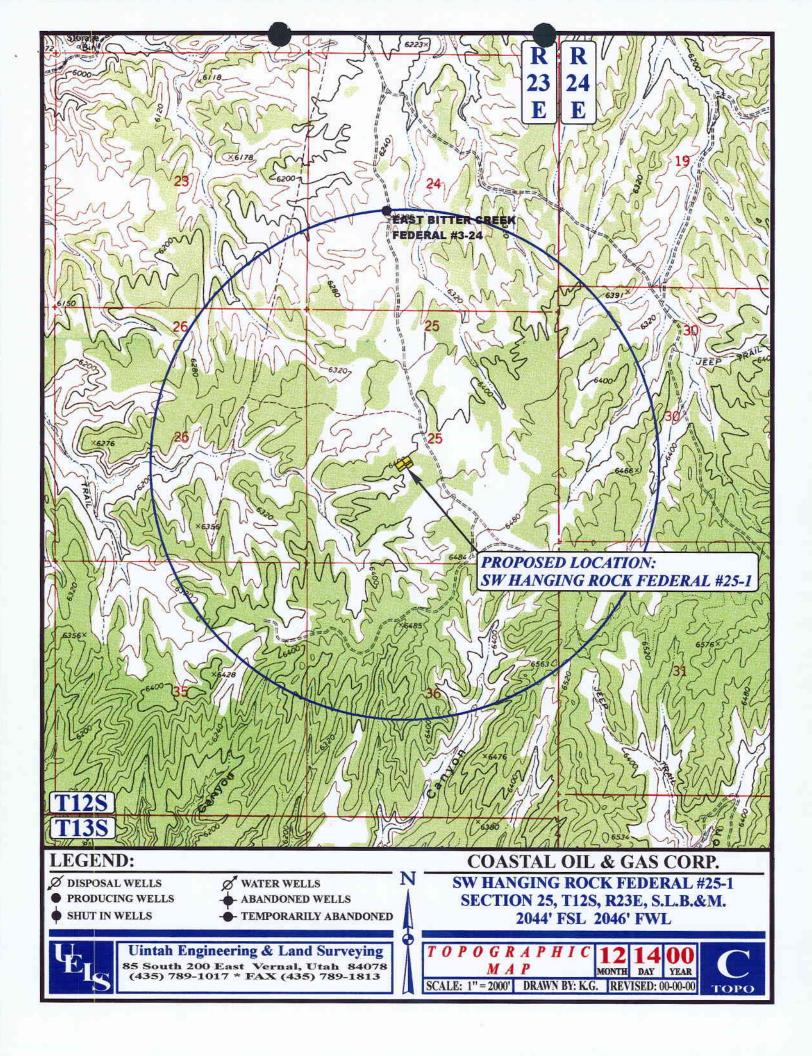
Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Coastal Oil & Gas Corporation, Bond No. U-605382-9.

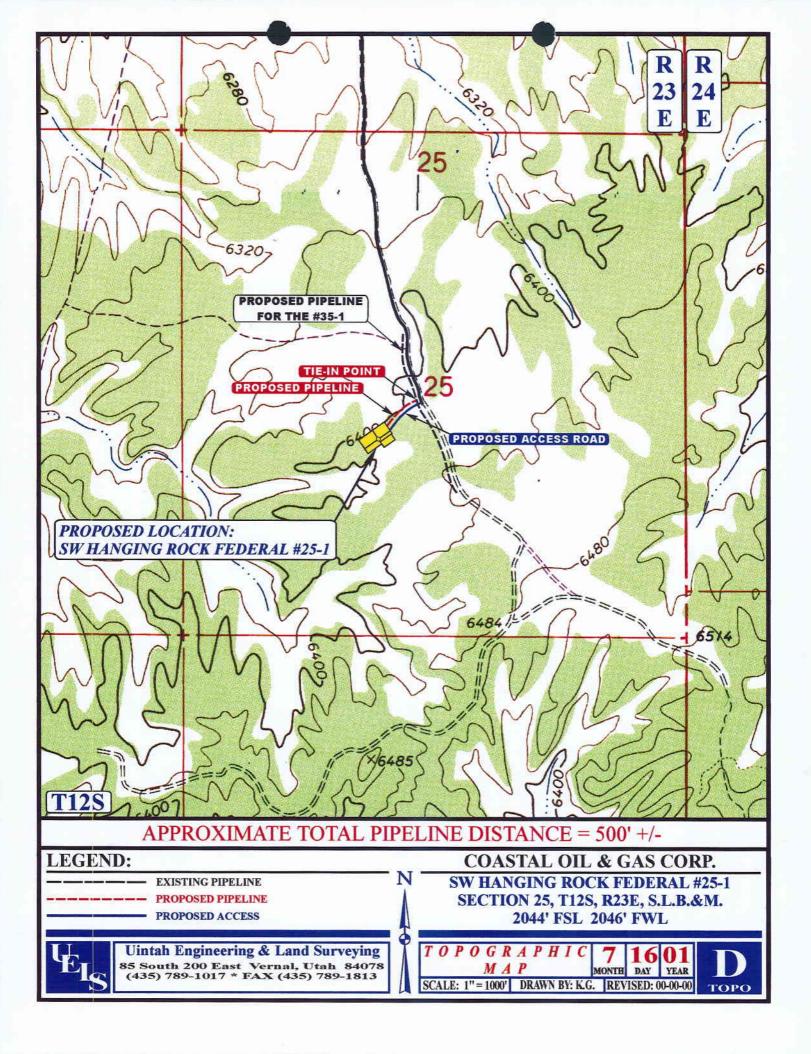
I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

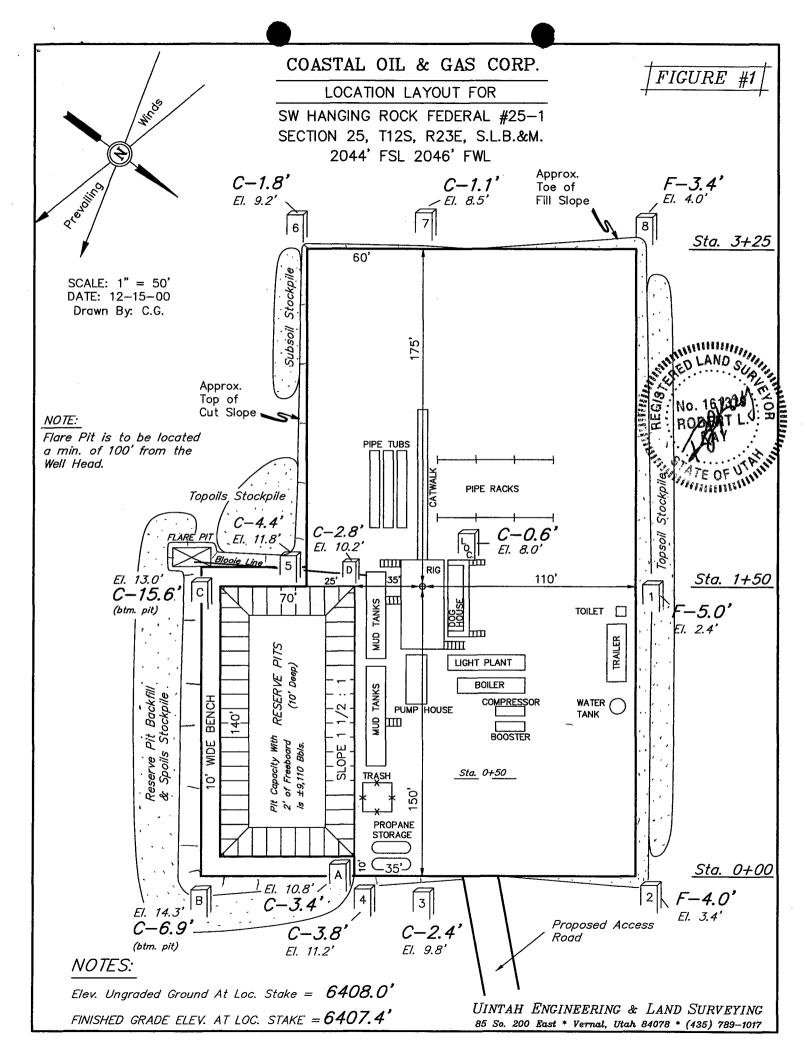
Cheryl Cameron Bate

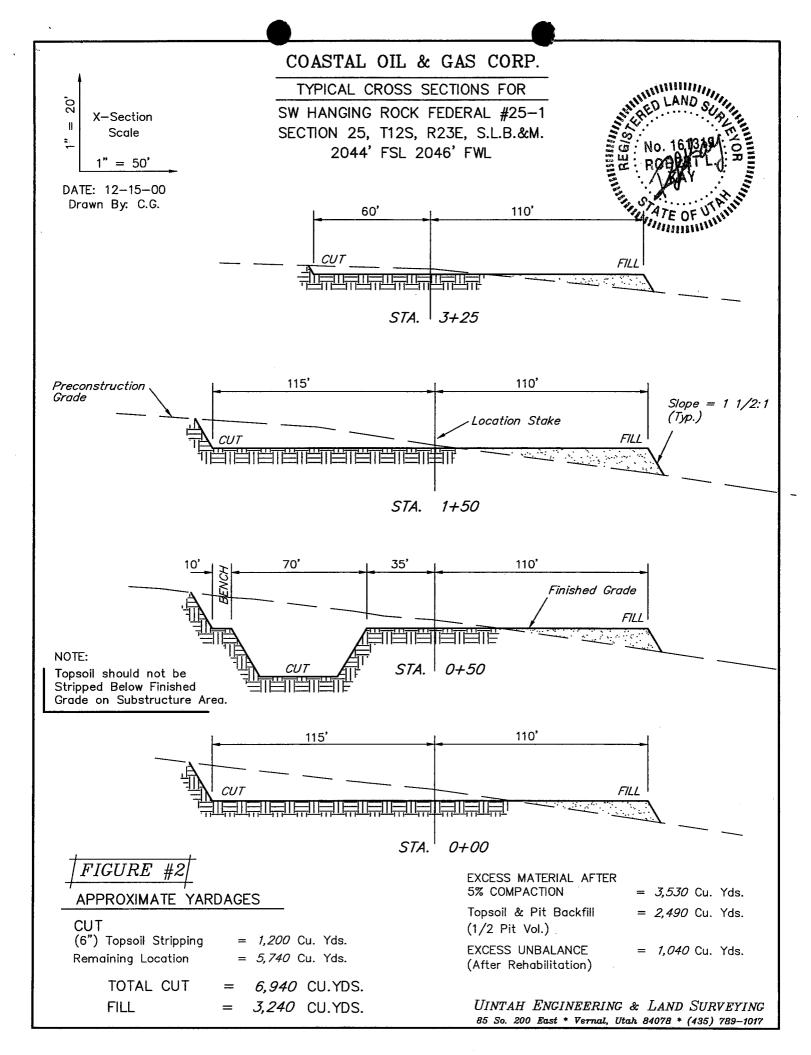












# CULTURAL RESOURCE EVALUATION OF FIVE SW HANGING ROCK LOCATIONS & ASSOCIATED PIPELINE CORRIDORS IN THE ARCHY BENCH LOCALITY OF UINTAH COUNTY, UTAH

Report Prepared for El Paso Production Company

Department of Interior Permit No.: Ut-54937

AERC Projects: 1691 (COGO1-06) Utah State Permit No.: Ut01AF0116b

Author of Report: F. Richard Hauck, Ph.D.



# ARCHEOLOGICAL-ENVIRONMENTAL RESEARCH CORPORATION

3005 Cave Hollow Way, Suite A -- Bountiful, Utah 84010

P.O. Box 853, Bountiful, Utah 84011

Phone: (801) 292-7061, 292-9668

FAX: (801) 292-9668

E-mail: ari@xmission.com Web page: www.ari-aerc.org

June 2, 2001

#### **ABSTRACT**

An intensive cultural resource evaluation has been conducted for Coastal Oil & Gas Corporation (El Paso Production Company) of five proposed well locations (SW Hanging Rock Federal #23-1, #24-1, #25-1, #26-1 and #35-1) and their respective access/pipeline corridors in the Hanging Rock field of the Archy Bench locality of Uintah County, Utah. About 90.6 acres (50 acres associated with five well pads, 40.6 acres associated with ca. five miles of access/pipeline corridors) were examined by AERC archaeologists during evaluations conducted between April 17 and May 8, 2001.

No previously recorded cultural resources will be adversely affected by the proposed development. Known cultural sites situated in the general region are not endangered by direct adverse effect relative to these developments because of their distance from the present project areas.

No paleontological loci were observed.

One newly identified cultural resource site (42UN2796), a non-significant butchering locus was recorded in association with the needed up-grading of the existing roadway into SW Hanging Rock Federal #35-1. No isolated diagnostic artifacts were recorded during the examinations.

AERC recommends project clearance based upon adherence to the stipulations noted in the final section of this report.

#### **TABLE OF CONTENTS**

|                               |         |        |     |   |   |   |   | page | 5   |
|-------------------------------|---------|--------|-----|---|---|---|---|------|-----|
| Abstract                      |         | •      | •   |   | • | • |   | •    | ii  |
| Table of Contents .           | •       | •      | •   | • | • | • | • | •    | iii |
| List of Maps of the Project A | rea     | •      | •   | • | • | • | • |      | iv  |
| General Information .         | •       | •      | •   | • | • | • | • |      | 1   |
| Project Location              |         |        |     | • | • | • | • | •    | 1   |
| Environment .                 |         | •      |     | • | • | • | • | •    | 4   |
| File Search .                 |         |        |     | • | • | • |   | •    | 5   |
| Study Objectives and Expect   | ed Resi | ılts   | •   | • | • | • |   |      | 5   |
| Site Potential in the I       | Develop | ment Z | one |   |   |   | • | •    | 5   |
| Field Evaluations .           |         |        |     | • |   |   |   | •    | 6   |
| Methodology .                 |         |        |     | • | • | • |   |      | 6   |
| Site Significance Crit        | teria   |        |     |   |   | • | • |      | 6   |
| Results of the Inventor       | ory     |        |     |   |   | • | • |      | 7   |
| Conclusion and Recommend      | lations |        |     |   |   | • |   |      | 8   |
| Diblicaronby                  |         |        |     |   |   |   |   |      | c   |

#### LIST OF MAPS OF THE PROJECT AREA

|  |   |   | p | age |
|--|---|---|---|-----|
| Map 1: General Project Area in Uintah County, Utah   |   | • |   | 2   |
| Map 2: Cultural Resource Survey of Proposed Well Locations & Access Corridors in Uintah County, Utah | • |   | • | 3   |

#### **GENERAL INFORMATION**

The Coastal Oil & Gas Corporation (El Paso Production Company) 2001 development program involves the construction of five proposed well locations (SW Hanging Rock Federal #23-1, #24-1, #25-1, #26-1 and #35-1) and their respective access/pipeline corridors in the Hanging Rock field of the Archy Bench locality of Uintah County, Utah. About 90.6 acres of proposed well pad locations and associated access/pipeline corridors were examined by AERC archaeologists (F.R. Hauck, Lolita Nikolova and Matt Boyter) during evaluations conducted between April 17 and May 8, 2001. The project area is on public lands administrated by the Vernal Office of the Bureau of Land Management in Vernal, Utah. The project was conducted under Department of Interior Permit No. 54937 which expires on January 31, 2002. Utah State Project No.: Ut-01-AF-0116b.

The purpose of the field study and this report is to identify and document cultural site presence and to determine cultural resource National Register eligibility relative to established criteria (cf., 36 CFR 60.6). Federal regulations require an environmental assessment of the potential development area. One aspect of such an assessment involves a Class I (records search) and Class III (intensive survey) archaeological evaluation of the development area. Such investigations are accomplished in compliance with the Antiquities Act of 1906, the Historic Sites Act of 1935, Section 106 of the National Historic Preservation Act of 1966, as amended, the National Environmental Policy Act of 1969, the Federal Land Policy and Management Act of 1976, the Archaeological Resources Protection Act of 1979, the Native American Religious Freedom Act of 1978, the Historic Preservation Act of 1980, and Executive Order 11593.

To accomplish this investigation, a total of 90.6 acres was examined by the archaeologists.

All field notes and report information concerning this project are filed at the AERC office in Bountiful, Utah.

**Project Location** 

The project area is ca. 45 miles to the south of Vernal, Utah. The five proposed well developments are located in the Archy Bench locality and are identifiable on the Archy Bench SE and Copper Canyon topographic quads. Locations of each proposed well pad are as follows:

SW Hanging Rock Federal Unit No. 23-1 (see Map 2): This location is situated in the NE quarter of the SW quarter of Section 23, Township 12 South, Range 23 East. A 1.05 mile-long access corridor (11.2 acres) links the location with proposed SW Hanging Rock Federal Unit No. 26-1. A fifty foot wide corridor was examined along the existing two-track that will be upgraded; the inventory was expanded to cover a 100 foot-wide corridor involving the newly proposed access corridor that exits the existing two-track in a northerly orientation.

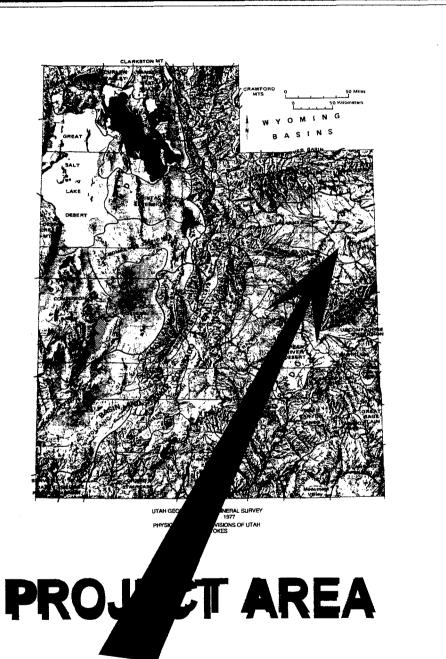


MAP 1
GENERAL PROJECT AREA IN
UINTAH COUNTY, UTAH



PROJECT: SCALE: DATE:

COG01-06 1: 200,650 06/02/01



TOWNSHIP: multiple RANGE: multiple MERIDIAN: multiple Utah Geological and Mineral Survey Map 43 1977

Physiographic Subdivisions of Utah by W.L. Stokes



#### Mere 2

OUTTURAL RESOURCE SURVEY OF PROPOSED WELLING OF THOMSE ACCESS CORRIDORS IN UINTAH CONTRACTOR CONTRACTOR

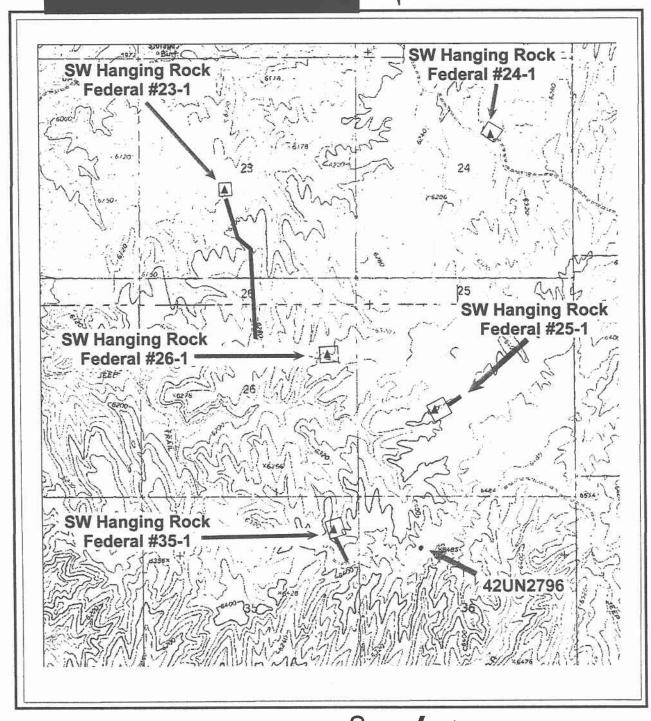


**PROJECT:** COG01-06 SCALE: 1:24,000

Cooper Canyon & QUAD:

Archy Bench SE

June 9, 2001 DATE:





TOWNSHIP: 12 South

**RANGE: 23 & 24 East** 

MERIDIAN: Salt Lake B. & M.

LEGEND

Access Route

Prehistoric Site

**Existing Roadway** to be Upgraded

SW Hanging Rock Federal Unit No. 24-1 (see Map 2): This location is situated in the SW quarter of the NE quarter of Section 24, Township 12 South, Range 23 East. A .5 mile-long (3 acres), 50 foot-wide access corridor along an existing two-track was examined.

SW Hanging Rock Federal Unit No. 25-1 (see Map 2): This location is situated in the NE quarter of the SW quarter of Section 25, Township 12 South, Range 23 East. A short 100 footwide access corridor extending ca. .1 mile (.6 acre) to the northeast from the location to the existing two-track was also evaluated.

SW Hanging Rock Federal Unit No. 26-1 (see Map 2): This location is situated in the SE quarter of the NE quarter of Section 26, Township 12 South, Range 23 East. A .6 mile-long (3.6 acres) access corridor extending eastward to the existing two-track was also examined for cultural resource presence.

SW Hanging Rock Federal Unit No. 35-1 (see Map 2): This location is situated in the NE quarter of the NE quarter of Section 35, Township 12 South, Range 23 East. A 1.1 mile-long access corridor (11.7 acres) links the location with the existing two-track in the SE quarter of adjacent Section 25. A fifty foot wide corridor was examined along the existing two-track that will be upgraded; the inventory was expanded to cover a 100 foot-wide corridor involving the newly proposed access corridor that exits the existing two-track in a northerly orientation.

In addition to the various access/pipeline corridors associated with the five locations as noted above, an additional 1.75 miles (10.6 acres) of access/pipeline corridor was examined along the existing primary two-track road (50 feet-wide) that will be upgraded extending from the northwestern quarter of Section 24 south through that section to terminate in the southeastern quarter of adjacent Section 25 as shown on Map 2.

#### **Environment**

The approximate elevations for the project area as described above range between 6150 and 6500 feet above sea level. Ephemeral drainages in the project area are associated with tributaries that drain northward into the White River.

The vegetation of the project locality is primarily associated with pinyon-juniper woodlands and an open sage rangeland environment. Vegetation species commonly found in this general area include *Pinus edulis, Juniperus spp., Artemisia tridentata, Chrysothamnus nauseosus, Atriplex spp., Sarcobatus vermiculatus, Opuntia polyacantha, Ephedra spp.* and various grasses including *Hordeum jubatum* and *Bromus tectorum*.

The project area is situated in the Colorado Plateau physiographic province.

#### File Search

Records searches were conducted Vernal District Area office on March 22, 2001 and at the Antiquities Section in Salt Lake City on March 19, 2001. No previous archaeological evaluations have been conducted within this project area.

Previous evaluations and area inventories indicate the occupation of the general cultural region has included diverse prehistoric and historic occupations (ranging from Paleoindian through late prehistoric Shoshonean and historic Ute/Euro-American). For a comprehensive treatment of the prehistory and history of this general cultural area see <u>Archaeological Evaluations in the Northern Colorado Plateau Cultural Area</u> (Hauck 1991)

The National Register of Historic Places has been consulted and no registered historic or prehistoric properties will be affected by the proposed development.

### STUDY OBJECTIVES AND EXPECTED RESULTS

The purpose of this evaluation was to identify, evaluate, and record any cultural resources encountered within the proposed El Paso (Coastal Oil & Gas) development area; to determine the significance of identified resources; and to recommend appropriate mitigation measures relative to the preservation of resources found to be endangered by the project.

These objectives were accomplished by seeking surface indications of cultural resource presence. Cultural resource sites would be identified by the presence of three or more associated artifacts and/or features that demonstrate the presence of patterned human activity and then recorded on the appropriate IMACS forms.

The previous identification of prehistoric and historic cultural resources in the general area indicated a possibility that additional resources could be discovered during these evaluations.

No constraints, e.g., snow cover, dense vegetation, difficult weather, were imposed on the evaluation of these locations and corridors.

### Site Potential in the Project Development Zone

Previous archaeological evaluations in this general region have resulted in the identification and recording of limited archaeological resources in this locality. Such prehistoric sites as have been recorded demonstrate a definitive selection of environmental community and water resource.

#### FIELD EVALUATIONS

#### **Methodology**

To accomplish an intensive evaluation of the five proposed well locations and access/pipeline corridors as shown on the map, the archaeologists examined ten acre parcels surrounding each well center and both 50 foot-wide and 100 foot-wide pipeline/access corridors depending on whether the staked corridor was associated with an existing two-track to be upgraded (50 foot-wide corridor examined in this case). All together, a 100% pedestrian survey was conducted of about 90.6 acres.

When cultural materials are discovered, the archaeologist conducts a careful search of the vicinity to locate and evaluate features, artifact types and concentrations, site spatial associations, and temporal identifications. Sites and isolates are then recorded on the appropriate forms, locations sketched, perimeters marked on a topographic map, and photographs taken. Copies of these reports are provided to the appropriate State and Federal offices as attachments to the final report.

In certain instances, the cultural sites are then evaluated for depth potential utilizing AERC's portable Ground Penetrating Radar (GPR) computerized system (SIR-2 manufactured by Geophysical Survey Systems, Inc. [GSSI] of North Salem, New Hampshire). GPR was not used during this project.

Cultural sites are then evaluated for significance utilizing the standards described below and mitigation recommendations are considered as a means of preserving significant resources which may be situated within the development zone.

#### Site Significance Criteria

The various criteria relative to establishing the eligibility of prehistoric and historic cultural sites preparatory to their potential nomination to the National Register of Historic Places have been outlined as follows in the National Register's Criteria for Evaluation as established in Title 36 CFR 60.6:

The quality of significance in American ... archaeology ... and culture is present in ... sites ... that possess integrity of location, design, setting, materials, workmanship, feeling, and association and:

- a. That are associated with events that have made a significant contribution to the broad patterns of our history; or
- b. that are associated with the lives of persons significant in our past; or
- $c.\ that\ embody\ the\ distinctive\ characteristics\ of\ a\ type,\ period,\ or\ method\ of\ construction\ ...\ ;\ or$
- d. that have yielded, or may be likely to yield, information important in prehistory or history.

In addition to satisfying one or more of these general conditions, a significant cultural resource site in Utah will generally be considered as being eligible for inclusion in the National Register if it still retains its integrity and can contribute to our current state of knowledge concerning chronology, cultural relationships, origins, and cultural life ways of prehistoric or historic groups in the area.

In a final review of any site's cultural significance, the site must possess integrity and at least one of the above criteria to be considered eligible for nomination to the National Record of Historic Places.

#### Results of the Inventory

During the survey of the various well locations and access/pipeline corridors referenced in this report, one cultural resource site was encountered and recorded; no isolated finds were documented. A summary of that cultural site can be provided as follows:

Site 42UN2796 (AERC 1691R/1) see Map 2: This site consists of a small, in-situ concentration (ca. 2 x 3 meters) of debitage and lithic tool fragments that is situated adjacent to the existing two-track (to be up-graded by reblading the surface) in the northwest quarter of Section 36 (Township 12 South, Range 23 East). A knife fragment and the fragments of two Formative Stage arrow points were recorded as were secondary and tertiary flakes associated with tool manufacture and reworking. The site appears to have been the locus of a single episode butchering act based on the discarding of broken tools related to hunting and game butchering. The site was adversely affected by the blading of the two-track and by subsequent vandal activities which resulted in the collection of that portion of the disturbed site in the bladed roadway. Collectors discarded <10 flakes in a drop-pile adjacent to the site area; they apparently did not observe that portion of the intact site that contained the tool fragments.

This site is not considered to be eligible for National Register inclusion due to its lack of depth, lack of material, and disturbed condition. Site avoidance is not recommended.

No previously recorded cultural resources will be adversely affected by the proposed development. Known cultural sites situated in the general region are not endangered by direct adverse effect relative to this development because of their distance from the present project areas.

No paleontological loci were observed.

#### CONCLUSION AND RECOMMENDATIONS

AERC recommends that a cultural resource clearance be granted to El Paso Production Company (Coastal Oil & Gas Corporation) relative to the development of these five proposed well locations (SW Hanging Rock Federal #23-1, #24-1, #25-1, #26-1 and #35-1) and their respective access/pipeline corridors as referenced in this report based upon adherence to the following stipulations:

- 1. All vehicle traffic, personnel movement, and construction should be confined to the flagged pipeline corridor as referenced in this report, or to existing routes;
- 2. All personnel should refrain from collecting artifacts or from disturbing any cultural resources in the area; and
- 3. The principal authority should be consulted should cultural remains from subsurface deposits be exposed during exploratory and developmental work or if the need arises to relocate or otherwise alter the development area.

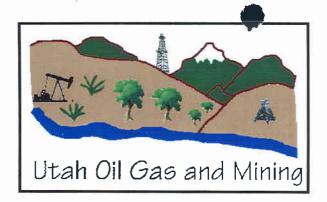
F. Richard Hauck, Ph.D. President and Principal

Investigator

#### **BIBLIOGRAPHY**

- Hauck, F. Richard
  - 1991 Archaeological Evaluations on the Northern Colorado Plateau Cultural Area, <u>AERC Paper No. 45</u>, Archeological-Environmental Research Corporation, Bountiful.
- Hauck, F. Richard, Richard Beaty and Dennis G. Weder
  - Prehistoric Occupations in the Red Wash Locality of Uintah County, Utah. <u>AERC Paper No. 44</u>, of the Archeological-Environmental Research Corporation, Bountiful.
- Hauck, F.R. and Garth Norman
  - 1980 Final Report on the Mapco River Bend Cultural Mitigation Study. <u>AERC Paper No.</u> 18, of the Archeological-Environmental Research Corporation, Bountiful.
- Stokes, W.L.
  - 1977 <u>Physiographic Subdivisions of Utah.</u> Map 43, Utah Geological and Mineral Survey, Salt Lake City.

| APD RECEIVED: 08/03/2001  | API NO. ASSIGNED: 43-047-34233   |  |  |
|---|--|--|--|
| WELL NAME: SW HANGING ROCK FED 25-1  OPERATOR: COASTAL OIL & GAS CORP ( N0230 )  CONTACT: CHERYL CAMERON  PROPOSED LOCATION:                                    | PHONE NUMBER: 435-781-7023   |  |  |
| NESW 25 120S 230E   | INSPECT LOCATN BY: / /   |  |  |
| SURFACE: 2044 FSL 2046 FWL BOTTOM: 2044 FSL 2046 FWL UINTAH   | Tech Review Initials Date  Engineering   |  |  |
| WILDCAT ( 1 )   | Geology  |  |  |
| LEASE TYPE: 1 - Federal   | Surface  |  |  |
| Plat Bond: Fed[1] Ind[] Sta[] Fee[]   | LOCATION AND SITING:  R649-2-3. Unit R649-3-2. General   |  |  |
| (No. U-605382-9 )  Potash (Y/N)  N oil Shale 190-5 (B) or 190-3 or 190-13  Water Permit (No. 43-8496 )  RDCC Review (Y/N) (Date: )  NA Fee Surf Agreement (Y/N) | Siting: 460 From Qtr/Qtr & 920' Between Wells  R649-3-3. Exception  Drilling Unit  Board Cause No:  Eff Date:  Siting:  R649-3-11. Directional Drill |  |  |
| STIPULATIONS: 1- Fed. april.  |  |  |  |
|   | ····   |  |  |

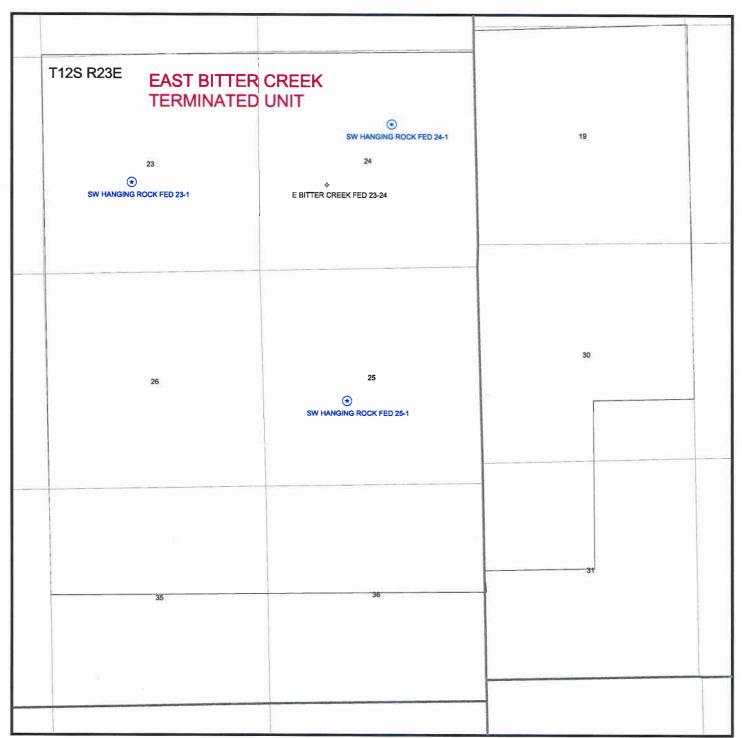


OPERATOR: COASTAL O&G CORP (N0230)

SEC. 25, T12S, R23E

FIELD: WILDCAT (001)

COUNTY: UINTAH SPACING: R649-3-2/GEN ST





State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt Governor Kathleen Clarke Executive Director Lowell P. Braxton Division Director

1594 West North Temple, Suite 1210 PO Box 145801 Salt Lake City, Utah 84114-5801 801-538-5340 801-359-3940 (Fax) 801-538-7223 (TDD)

August 14, 2001

Coastal Oil & Gas Corporation PO Box 1148 Vernal, UT 84078

Re:

SW Hanging Rock Federal 25-1 Well, 2044' FSL, 2046' FWL, NE SW, Sec. 25,

T. 12 South, R. 23 East, Uintah County, Utah

#### Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34233.

Sincerely,

John R. Baza
Associate Director

er

**Enclosures** 

cc:

**Uintah County Assessor** 

Bureau of Land Management, Vernal District Office

| Operator:           |         | Coastal Oil & Gas  | S Corporation       |
|---------------------|---------|--------------------|---------------------|
| Well Name & Number_ |         | SW Hanging Rock    | K Federal 25-1      |
| API Number:         |         | 43-047-34233       |                     |
| Lease:              |         | U 77531            |                     |
| Location: NE SW     | Sec. 25 | <b>T.</b> 12 South | R. <u>23 East</u> • |

#### **Conditions of Approval**

#### 1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

#### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

Contact Dan Jarvis at (801) 538-5338

#### 3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

#### Division of Oil, Gas and Mining

#### **OPERATOR CHANGE WORKSHEET**

Enter date after each listed item is completed

Change of Operator (Well Sold)

Operator Name Change (Only)

#### ROUTING

| 1. GLH  | 4-KAS  |
|---------|--------|
| 2. CDW/ | 5-LP V |
| 3. JLT  | 6-FILE |

Designation of Agent

Merger  $\mathbf{X}$ 

| The operator of the well(s) listed be | now has changed, effective. | 3-09-2001                                   |
|---------------------------------------|-----------------------------|---|
| FROM: (Old Operator):                 |                             | TO: ( New Operator):                        |
| COASTAL OIL & GAS CORPORATION         |                             | EL PASO PRODUCTION OIL & GAS COMPANY        |
| Address: 9 GREENWAY PLAZA STE 2721    |                             | Address: 9 GREENWAY PLAZA STE 2721 RM 2975B |
| HOUSTON, TX 77046-0995                |                             | HOUSTON, TX 77046-0995                      |
| Phone: 1-(713)-418-4635               |                             | Phone: 1-(832)-676-4721                     |
| Account N0230                         |                             | Account N1845                               |
|                                       | CA No.                      | Unit:                                       |
| WELL(S)                               |                             |   |

|                              | API          | ENTITY | SEC TWN    | LEASE   | WELL | WELL   |
|------------------------------|--------------|--------|------------|---------|------|--------|
| NAME                         | NO           | NO     | RNG        | TYPE    | TYPE | STATUS |
| HSB FEDERAL 3-1              | 43-047-33831 | 13146  | 03-07S-21E | FEDERAL | GW   | S      |
| WONSITS FEDERAL 1-6          | 43-047-34081 | 99999  | 06-08S-22E | FEDERAL | GW   | APD    |
| WONSITS FEDERAL 2-6          | 43-047-34082 | 99999  | 06-08S-22E | FEDERAL | GW   | APD    |
| WONSITS FEDERAL 3-6          | 43-047-34059 | 99999  | 06-08S-22E | FEDERAL | GW   | APD    |
| WONSITS FEDERAL 4-6          | 43-047-34083 | 99999  | 06-08S-22E | FEDERAL | GW   | APD    |
| FEDERAL 24-22                | 43-047-30610 | 6124   | 22-08S-22E | FEDERAL | GW   | P      |
| CESSPOUCH ETAL 5 14          | 43-047-30675 | 90     | 05-09S-21E | FEDERAL | GW   | P      |
| CESSPOUCH 5-193 (CA CR-4)    | 43-047-33978 | 99999  | 05-09S-21E | FEDERAL | GW   | APD    |
| FEDERAL 6-100 (CA CR-12)     | 43-047-33401 | 12695  | 06-09S-22E | FEDERAL | GW   | P      |
| BONANZA 8-2                  | 43-047-34087 | 99999  | 08-10S-23E | FEDERAL | GW   | APD    |
| BONANZA 9-5                  | 43-047-34088 | 99999  | 09-10S-23E | FEDERAL | GW   | APD    |
| BONANZA 10-2                 | 43-047-34089 | 99999  | 10-10S-23E | FEDERAL | GW   | APD    |
| BONANZA 10-3 (CA CR-5)       | 43-047-34090 | 99999  | 10-10S-23E | FEDERAL | GW   | APD    |
| WILLOW CREK UNIT 2           | 43-047-31818 | 11604  | 05-11S-20E | FEDERAL | OW   | TA     |
| HILL FEDERAL 1-10            | 43-047-31026 | 1368   | 10-11S-20E | FEDERAL | GW   | TA     |
| WILLOW CREK UNIT 1           | 43-047-31775 | 10804  | 27-11S-20E | FEDERAL | GW   | S      |
| HELLS HOLE 9110              | 43-047-31803 | 10813  | 12-11S-25E | FEDERAL | GW   | P      |
| SW HANGING ROCK FEDERAL 23-1 | 43-047-34231 | 99999  | 23-12S-23E | FEDERAL | GW   | NEW    |
| SW HANGING ROCK FEDERAL 24-1 | 43-047-34232 | 99999  | 24-12S-23E | FEDERAL | GW   | NEW    |
| SW HANGING ROCK FEDERAL 25-1 | 43-047-34233 | 99999  | 25-12S-23E | FEDERAL | GW   | NEW    |

### OPERATOR CHANGES DOCUMENTATION

| 1. | (R649-8-10) Sundry or legal documentation was received from the FORMER operator on:   | 06/19/2001                                |
|----|---|---|
|    | (R649-8-10) Sundry or legal documentation was received from the <b>NEW</b> operator on: The new company has been checked through the <b>Department of Commerce</b> , <b>Division of Corporation</b> | 06/19/2001<br>ons Database on: 06/21/2001 |
| 4. | Is the new operator registered in the State of Utah:  YES  Business Number:   | 608186-0143                               |

| 5.                      | If NO, the operator was contacted contacted on:  N/A   |
|-------------------------|--|
| 6.                      | Federal and Indian Lease Wells: The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on:  07/10/2001                            |
| 7.                      | Federal and Indian Units: The BLM or BIA has approved the successor of unit operator for wells listed on: 07/10/2001   |
| 8.                      | Federal and Indian Communization Agreements ("CA"): The BLM or the BIA has approved the operator change for all wells listed involved in a CA on:  07/10/2001  |
| 9.                      | Underground Injection Control ("UIC") The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:  N/A |
| $\overline{\mathbf{D}}$ | ATA ENTRY:   |
| 1.                      | Changes entered in the Oil and Gas Database on: 08/24/2001   |
| 2.                      | Changes have been entered on the Monthly Operator Change Spread Sheet on: 08/24/2001   |
| 3.                      | Bond information entered in RBDMS on:  N/A   |
| 4.                      | Fee wells attached to bond in RBDMS on:  N/A   |
| ST                      | ATE BOND VERIFICATION:   |
| 1.                      | State well(s) covered by Bond No.:  N/A  |
| FR                      | CDERAL BOND VERIFICATION:  |
|                         | Federal well(s) covered by Bond No.:  WY 2793  |
| FF                      | E WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:   |
|                         | (R649-3-1) The <b>NEW</b> operator of any fee well(s) listed covered by Bond No:  N/A  |
|                         | The <b>FORMER</b> operator has requested a release of liability from their bond on:  N/A  The Division sent response by letter on:  N/A  |
| 3.                      | (R649-2-10) The <b>FORMER</b> operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on:               |
|                         | LMING: All attachments to this form have been MICROFILMED on:  |
|                         | LING:  |
| 1.                      | ORIGINALS/COPIES of all attachments pertaining to each individual well have been filled in each well file on:  |
| CC                      | MMENTS: Master list of all wells involved in operator change from Coastal Oil & Gas Corporation to El Paso   |
|                         | oduction Oil and Gas Company shall be retained in the "Operator Change File".  |
|                         |  |
|                         |  |
|                         |  |

,



#### WESTPORT OIL AND GAS COMPANY, L.P.

#### 410 Seventeenth Street #2300 Deriver Colorado 60202-4436 Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203

BLM Nationwide Bond 158626364 Surety - Continental Canalty Company

Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.

Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.

Assumption Rider - Westport Oil and Gas Company, L.P.

#### Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.

Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.

Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas

Company, L.P.

List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,

Westport Oil and Gas Company, L.P.

Debby J. Black

Engineer Technicien

Encl;



## United States Department of the Interior RECEIVED

#### BUREAU OF LAND MANAGEMENT

FEB 2 2 2002

Utah State Office P.O. Box 45155 Salt Lake City, UT 84145-0155

DIVISION OF OIL. GAS AND MINING

In Reply Refer To: 3106 UTU-25566 et al (UT-924)

FEB 2 1 2002

#### NOTICE

Westport Oil and Gas Company L.P.

Oil and Gas

410 Seventeenth Street, #2300

•

Denver Colorado 80215-7093

Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of <u>Westport Oil</u> and <u>Gas Company, Inc.</u> into <u>Westport Oil and Gas Company, L.P.</u> with <u>Westport Oil and Gas Company, L.P.</u> being the surviving entity.

For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405 UTU-20895 UTU-25566 UTU-43156 UTU-49518 UTU-49519 UTU-49522 UTU-49523

> Robert Lopez Chief, Branch of Minerals Adjudication

cc: Moab Field Office Vernal Field Office

MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217 State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114 Teresa Thompson (UT-922) Joe Incardine (UT-921)



## United States Department of the Interior

#### **BUREAU OF LAND MANAGEMENT**

Vernal District Office 170 South 500 East Vernal, Utah 84078-2799

Phone: (435) 781-4400

Fax: (435) 781-4410

IN REPLY REFER TO: 3160 UT08300

March 28, 2002

RECEIVED

APR 0 2 2002

DIVISION OF OIL, GAS AND MINING

Cheryl Cameron El Paso Production Oil & Gas Corp. P. O. Box 1148 Vernal, Utah 84078

Re:

Well No. S. W. Hanging Rock Fed. 25-1

NENW, Sec. 25, T12S, R23E

Uintah County, Utah Lease No. UTU-77531 43-047-34233

Dear Cheryl:

The Application for Permit to Drill (APD) the above referenced well is being returned at your request unapproved due to changes in your drilling program. If your plans change and you intend to drill at this location at a future date, a new APD must be submitted.

If you have any questions concerning APD processing, please contact me at (435) 781-4497.

Sincerely,

Leslie Walker

Legal Instruments Examiner

Zeslii Walker

cc:

**UDOGM-Lisha** Cordova

\* Hold per op. unt:1 exp. date 8-14-02. fc Form 3 160-5 (August 1999)

## DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

| FORM APPROVED |               |  |  |  |
|---------------|---------------|--|--|--|
| OMB No.       | 1004-0135     |  |  |  |
| Expires Jnove | mber 30, 2000 |  |  |  |

| u | -77531 |  |
|---|--------|--|
|   |        |  |

| SUNDRY I   | NOTICES AND REPORTS OF   | N WELLS   | JU-77531  |
|--|--|---|---|
| Do not use this  | form for proposals to dri  | ll or reenter an  | 6. If Indian, Allottee or Tribe Name  |
|  | Use Form 3160-3 (APD) for  |   |   |
|  | ICATE – Other instructio   |   | 7. If Unit or CA/Agreement, Name and/or No.   |
| 1. Type of Well  |  | NFIDENTIAL  |   |
| Oil Well 🗷 Gas Well  | Other  | MINCHINE  | 8. Well Name and No.  |
| 2. Name of Operator  |  | <del>andrews</del> (1996) - Andrews (1996) - Andr | Southwest Hanging Rock 25-1   |
| EL PASO PRODUCTION OI  | L & GAS COMPANY  |   | 9. API Well No.   |
| 3a. Address  | 3b.  | Phone No. (include area code)   | 43-047-34233  |
| P.O. BOX 1148 VERNAL, U  | Т 84078  | 35) 781-7023  | 10. Field and Pool, or Exploratory Area   |
| 4. Location of Well (Footage, Sec.,  |  |   | Wildcat   |
|  | 2., 2., 2.2., 2. 2 2., 2.2 4   |   | 11. County or Parish, State   |
| NESW 2044' FSL & 2046' F\  | <b>N</b> L   |   | Uintah, UT  |
| Sec. 25, T12S, R23E  |  |   |   |
| 12. CHECK APP  | ROPRIATE BOX(ES) TO INDI   | CATE NATURE OF NOTICE,  | REPORT, OR OTHER DATA   |
| TYPE OF SUBMISSION   |  | TYPE OF ACTIO   | И   |
| Notice of Intent   | Acidize Alter Casing   | Fracture Treat Reclama  |   |
| Subsequent Report  | Casing Repair Change Plans   | New Construction Recomple Plug and Abandon Tempora  | ete X Other DOGM rily Abandon APD Extension   |
| Final Abandonment Notice   | Convert to Injection   | Plug Back Water Di  |   |
| testing has been completed. Final Aldetermined that the site is ready for fin OPERATOR REQUESTS TI | bandonment Notices shall be filed onl<br>al inspection.  | ly after all requirements, including re-  | n in a new interval, a Form 3160-4 shall be filed once clamation, have been completed, and the operator has |
| DRILLING OPERATIONS.   | Approved by the Utah Division of oil, Gas and Mining   |   | RECEIVED  |
|  | DQ-17-02-1 A   | COPY SENT TO OPER   | SEP 1 1 2002  |
| Date:<br>By: _   | Sall glix  | Date: 9-/20<br>India's UHO  | DIVISION OF OIL, GAS AND MINING   |
|  |  |   |   |
| 14. I hereby certify that the foregoin   | g is true and correct  |   |   |
| Name (Printed/Typed)   |  | Title   | Operations  |
| Cheryl Cameron   | en personale de la companya de la c |   | Operations  |
| Signature Comp   | ner /  | Date<br>September 9, 2002   |   |
|  |  | OR FEDERAL OR STATE USE   |   |
| Approved by  |  | Title   | Date  |
| Conditions of approval, if any, are attached certify that the applicant holds legal or equ         |  |   |   |
| which would entitle the applicant to conduc  |  |   |   |
| Title 18 U.S.C. Section 1001, make false, fictitious or fraudulent statement                       | it a crime for any person knowing<br>ents or representations as to any ma                                      | gly and willfully to make to any dutter within its jurisdiction.  | epartment or agency of the United States any  |

#### UNITED STATES GOVERNMENT

## memorandu

Branch of Real Estate Services Uintah & Ouray Agency

٠,

Date:

5 December, 2002

Reply to Attn of:

Supervisory Petroleum Engineer

Subject:

Modification of Utah Division of Oil, Gas and Mining Regulations

To:

Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate you concern, and hope that these comments are timely enough for consideration in the revision process. leades & Cameron

CC:

Minerals & Mining Section of RES

Ute Energy & Mineral Resources Department: Executive Director chrono



## United States Department of the Interior

## BUREAU OF INDIAN AFFAIRS Washington, D.C. 20240

FEB 1 0 2003

Carroll A. Wilson
Principal Landman
Westport Oil and Gas Company, L.P.
1368 South 1200 East
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely.

ACTING

Director, Office of Trust Responsibilities

Enclosure

# STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

| SUNDRY NOTICES AND REPORTS ON WELLS  6. IF INDIAN, ALLOTTEE OR TRIBE NAME.   | IE.         |  |  |  |  |
|--|-------------|--|--|--|--|
|  |             |  |  |  |  |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.   | <del></del> |  |  |  |  |
| OIL WELL GAS WELL OTHER  |             |  |  |  |  |
| 2. NAME OF OPERATOR:  El Paso Production Oil & Gas Company  9. API NUMBER:   |             |  |  |  |  |
| 3. ADDRESS OF OPERATOR:  9 Greenway Plaza  CHARLE TX  C |             |  |  |  |  |
| 4. LOCATION OF WELL  |             |  |  |  |  |
| FOOTAGES AT SURFACE: COUNTY:   |             |  |  |  |  |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:  UTAH   |             |  |  |  |  |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA  |             |  |  |  |  |
| TYPE OF SUBMISSION TYPE OF ACTION  |             |  |  |  |  |
| NOTICE OF INTENT  ACIDIZE  DEEPEN  REPERFORATE CURRENT FOR   | MATION      |  |  |  |  |
| (Submit in Duplicate)  |             |  |  |  |  |
| Approximate date work will start: CASING REPAIR NEW CONSTRUCTION TEMPORARILY ABANDON   |             |  |  |  |  |
| CHANGE TO PREVIOUS PLANS  OPERATOR CHANGE  TUBING REPAIR   |             |  |  |  |  |
| CHANGE TUBING PLUG AND ABANDON VENT OR FLARE   |             |  |  |  |  |
| SUBSEQUENT REPORT CHANGE WELL NAME PLUG BACK WATER DISPOSAL .  |             |  |  |  |  |
| Date of work completion:  CHANGE WELL STATUS  PRODUCTION (START/RESUME)  WATER SHUT-OFF  |             |  |  |  |  |
| COMMINGLE PRODUCING FORMATIONS RECLAMATION OF WELL SITE OTHER:   |             |  |  |  |  |
| CONVERT WELL TYPE RECOMPLETE - DIFFERENT FORMATION   |             |  |  |  |  |
| DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.  |             |  |  |  |  |
| BOND #   |             |  |  |  |  |
| State Surety Bond No. RLB0005236   |             |  |  |  |  |
| For Pond No. PIROON5238  |             |  |  |  |  |
| RECEIVED   |             |  |  |  |  |
| EL PASO PRODUCTION OIL & GAS COMPANY FEB 2 8 2003  |             |  |  |  |  |
| PEB 2 0 2003   |             |  |  |  |  |
| DIV. OF OIL, GAS & MINING  |             |  |  |  |  |
| By: Du // /  |             |  |  |  |  |
| Jon R. Nelsen, Attorney-in-Fact  |             |  |  |  |  |
|  |             |  |  |  |  |
| WESTPORT OIL AND GAS COMPANY, L.P.  NAME (PLEASE PRINT)  David R. Dix  Agent and Attorney-in-Fact  |             |  |  |  |  |
| 12/12/02   |             |  |  |  |  |
| SIGNATURE DATE 12/11/02  |             |  |  |  |  |

(This space for State use only)

Form 3 160-5 (August 1999)

#### UNITED STATES RTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

## SUNDRY NOTICES AND REPORTS ON WELLS

FORM APPROVED OMB No. 1004-0135 Expires Jaovember 30, 2000

5. Loase Serial No.

SEE ATTACHED EXHIBIT "A"

| Do not use the abandoned well                                  | 6. If Indian, Allottee or Tribe Name  |  |                                    |   |               |  |
|--|---|--|------------------------------------|---|---------------|--|
| SUBMIT IN TRIP   | 7. If Unit or CA/Agreement, Name and/or No.   |  |                                    |   |               |  |
| 1. Type of Well Oil Well Gas Well 2. Name of Operator          | Other   |  |                                    | 8. Well Name and No.  |               |  |
| WESTPORT OIL & GAS C   | SEE ATTACHED EXHIBIT "A"  9. API Well No.   |  |                                    |   |               |  |
| P.O. BOX 1148 VERNAL, L<br>4. Location of Well (Footage, Sec.) | 3b. Phone No. (include area code) (435) 781-7023  |  |                                    | SEE ATTACHED EXHIBIT "A"  10. Field and Pool, or Exploratory Area   |               |  |
| SEE ATTACHED EXHIBIT   | <b>"A"</b>  |  | of notice, r                       | 11. County or Parish, State UINTAH COUNTY, UT EPORT, OR OTHER DATA  |               |  |
| Notice of Intent   |   | TYI  | PE OF ACTION                       |   |               |  |
| Subsequent Report  Final Abandonment Notice                    | Acidize Alter Casing Casing Repair Change Plans Convert to Injection                                | Deepen Fracture Treat New Construction Plug and Abandon Plug Back                    | Reclamation Recomplete Temporarily | Abandon SUCCESSOR (   |               |  |
| following completion of the investment                         | perations (clearly state all per<br>onally or recomplete horizonta<br>work will be performed or pro | tinent details, including e<br>illy, give subsurface locationide the Bond No. on fil | e with BI M/DY A                   | date of any proposed work and approximate of any proposed work and approximate and true vertical depths of all pertiner. Required subsequent reports shall be pletion in a new interval, a Form 3160 ng reclamation, have been completed, | i markets and |  |

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

|  | MAR 0 4 2003  |
|--|---|
| GRATURE DE DE MARIEMON DE MARIEMON MARI | OW: OF OIL, GAS & MINIMO<br>PERATIONS<br>Vate<br>arch 4, 2003                                       |
| Approved by THIS SPACE FOR   | FEDERAL OR STATE USE  |
| Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or countries the applicant holds legal or countries that the applicant holds legal or countries the a | Title Date  |
| Which would entitle the sent lands.  | <u> </u>  |
| false, fictitious or fraudulent statements or representations as to any matter   | and willfully to make to any department or agency of the United States any within its jurisdiction. |
| (Instructions on reverse)  |   |

#### **OPERATOR CHANGE WORKSHEET**

### 1. GLH 2. CDW 3. FILE

#### X Change of Operator (Well Sold)

4. Is the new operator registered in the State of Utah:

Designation of Agent/Operator

Operator Name Change

Merger

| r IX VIVI. COM CIDERMOLE                                   |            | TO: ( New Or   | erator).     |         |      |         |  |
|--|------------|--|--------------|---------|------|---------|--|
| FROM: (Old Operator): EL PASO PRODUCTION OIL & GAS COMPANY |            | TO: (New Operator):                                    |              |         |      |         |  |
| Address: 9 GREENWAY PLAZA                                  |            | WESTPORT OIL & GAS COMPANY LP<br>Address: P O BOX 1148 |              |         |      |         |  |
| Addiess. 9 OREENWAT FLAZA                                  |            | Address: F O B   | OA 1146      |         |      |         |  |
| HOUSTON, TX 77064-0995                                     |            | VERNAL, UT   | 84078        |         |      |         |  |
| Phone: 1-(832)-676-5933                                    |            | Phone: 1-(435)-781-7023                                |              |         |      |         |  |
| Account No. N1845  |            | Account No.  |              |         |      |         |  |
| CA   | No.        | Unit:  |              |         |      | <u></u> |  |
| WELL(S)  |            |  | <del> </del> |         |      |         |  |
|  | SEC TWN    | API NO   | ENTITY       | LEASE   | WELL | WELL    |  |
| NAME   | RNG        |  | NO           | TYPE    | TYPE | STATUS  |  |
| SW HANGING ROCK FED 23-1                                   | 23-12S-23E | 43-047-34231   | 99999        | FEDERAL | GW   | APD     |  |
| SW HANGING ROCK FED 24-1                                   | 24-12S-23E | 43-047-34232   | 99999        | FEDERAL | GW   | APD     |  |
| SW HANGING ROCK FED 25-1                                   | 25-12S-23E | 43-047-34233   | 99999        | FEDERAL | GW   | APD     |  |
| UTE TRIBAL 14-23   | 23-04S-01E | 43-047-33834   | 99999        | INDIAN  | ow   | APD     |  |
| UTE TRIBAL 3-25  | 25-04S-01E | 43-047-33540   | 99999        | INDIAN  | OW   | APD     |  |
| UTE TRIBAL 15-25   | 25-04S-01E | 43-047-33834   | 99999        | INDIAN  | GW   | APD     |  |
| UTE TRIBAL 2-25  | 25-04S-01E | 43-047-34431   | 99999        | INDIAN  | GW   | APD     |  |
| UTE TRIBAL 10-25   | 25-04S-01E | 43-047-34435   | 99999        | INDIAN  | GW   | APD     |  |
| UTE TRIBAL 3-26  | 26-04S-01E | 43-047-34724   | 99999        | INDIAN  | ow   | APD     |  |
| UTE TRIBAL 11-26   | 26-04S-01E | 43-047-34731   | 99999        | INDIAN  | ow   | APD     |  |
| UTE TRIBAL 4-26  | 26-04S-01E | 43-047-34732   | 99999        | INDIAN  | ow   | APD     |  |
| UTE TRIBAL 5-26  | 26-04S-01E | 43-047-34733   | 99999        | INDIAN  | ow   | APD     |  |
| UTE TRIBAL 6-26  | 26-04S-01E | 43-047-34734   | 99999        | INDIAN  | ow   | APD     |  |
| UTE TRIBAL 12-26   | 26-04S-01E | 43-047-34746   | 99999        | INDIAN  | ow   | APD     |  |
| UTE TRIBAL 3-36  | 36-04S-01E | 43-047-33867   | 99999        | INDIAN  | ow   | APD     |  |
| ANKERPONT 35-224   | 35-08S-21E | 43-047-34736   | 99999        | INDIAN  | GW   | NEW     |  |
| ARCHEE 1-118   | 01-09S-20E | 43-047-34825   | 99999        | INDIAN  | GW   | NEW     |  |
| BAYLESS ST 2-2   | 02-09S-20E | 43-047-34904   | 99999        | STATE   | GW   | APD     |  |
| BAYLESS ST 2-3   | 02-09S-20E | 43-047-34905   | 99999        | STATE   | GW   | APD     |  |
| NBU 393  | 22-09S-20E | 43-047-34864   | 99999        | FEDERAL | GW   | APD     |  |
| NBU 392  | 22-09S-20E | 43-047-34877   | 99999        | FEDERAL | GW   | APD     |  |

YES

Business Number:

1355743-0181

| 5. If NO, the operator was contacted contacted on:   |
|--|
| 6. (R649-9-2)Waste Management Plan has been received on: <u>IN PLACE</u>   |
| 7. Federal and Indian Lease Wells: The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02               |
| 8. Federal and Indian Units:   |
| The BLM or BIA has approved the successor of unit operator for wells listed on:  02/27/2003  |
| 9. Federal and Indian Communization Agreements ("CA"):  The BLM or BIA has approved the operator for all wells listed within a CA on:  01/09/2003  |
| 10. Underground Injection Control ("UIC") The Division has approved UIC Form 5, Transfer of Authority to Inject, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on:  N/A |
| DATA ENTRY:  |
| 1. Changes entered in the Oil and Gas Database on: 03/27/2003  |
| 2. Changes have been entered on the Monthly Operator Change Spread Sheet on: 03/27/2003  |
| 3. Bond information entered in RBDMS on: N/A   |
| 4. Fee wells attached to bond in RBDMS on:  N/A  |
| STATE WELL(S) BOND VERIFICATION:   |
| 1. State well(s) covered by Bond Number: RLB 0005236   |
| FEDERAL WELL(S) BOND VERIFICATION:   |
| 1. Federal well(s) covered by Bond Number: 158626364   |
| INDIAN WELL(S) BOND VERIFICATION:  |
| 1. Indian well(s) covered by Bond Number: RLB 0005239  |
| FEE WELL(S) BOND VERIFICATION:   |
| 1. (R649-3-1) The <b>NEW</b> operator of any fee well(s) listed covered by Bond Number RLB 0005238   |
| 2. The <b>FORMER</b> operator has requested a release of liability from their bond on:  N/A  The Division sent response by letter on:  N/A   |
| LEASE INTEREST OWNER NOTIFICATION:   |
| 3. (R649-2-10) The <b>FORMER</b> operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on:  N/A           |
| COMMENTS:  |
|  |
|  |
|  |
|  |

1594 West North Temple, Suite 1210

Michael O. Leavitt Robert L. Morgan Executive Director Lowell P. Braxton

Salt Lake City, Utah 84114-5801 Governor (801) 538-5340 telephone (801) 359-3940 fax (801) 538-7223 TTY Division Director www.nr.utah.gov

PO Box 145801

October 14, 2003

Sheila Upchego Westport Oil & Gas Company P. O. Box 1148 Vernal, Utah 84078

Re: APD Rescinded – SW Hanging Rock Fed 25-1 Sec. 25, T.12S, R. 23E Uintah County, Utah API No. 43-047-34233

Dear Ms. Upchego:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 14, 2001. On September 12, 2002, the Division granted a one-year APD extension. On October 14, 2003, you requested that the division rescind the approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective October 14, 2003.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

ana Whitney

Engineering Technician

cc:

Well File

Gil Hunt, Technical Services Manager

